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ABSTRACT

The need for basic federal support of Indian Education, the adequacy of federal programs in fulfilling that need, the problem of whether current educational delivery systems are meeting the educational needs of Indian children, and the creation of Indian controlled postsecondary institutions were the principal topics explored in the three days of hearings held in May of 1977. Particular discussion was devoted to the history and uses of Johnson O'Malley compensatory funds and other kinds of federal support. Officials from Arizona, South Dakota, Minnesota, and Montana described Indian educational needs and programs in their respective states. Other witnesses included administrators from various Indian schools as well as representatives from such tribes as the Miccosukee, Papago, Sioux, and Navajo. The final day of hearings concerned matters relating to Senate Bill 1215, which would provide for grants to Indian postsecondary educational institutions. Speaking in support of the bill were witnesses from the American Association of Community and Junior Colleges, American Indian Higher Education Consortium, Navajo Community College, Sinte Gleska Community College, National Indian Education Association, National Congress of American Indians, and National Tribal Chairman's Association. Three officials from the Bureau of Indian Affairs appeared to testify on the Bureau's policies and procedures for providing educational services to Indian students. A few graphics illustrate points presented in the narrative. (DS)

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OVERSIGHT HEARINGS ON INDIAN EDUCATION

HEARINGS

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

NINETY-FIFTH CONGRESS

FIRST SESSION

HEARINGS HELD IN WASHINGTON, D.C.
MAY 17, 18, AND 19, 1977

Printed for the use of the Committee on Education and Labor
Carl D. Perkins, *Chairman*

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OVERSIGHT HEARINGS ON INDIAN EDUCATION

TUESDAY, MAY 17, 1977

House of Representatives,
Subcommittee on Elementary, Secondary,
and Vocational Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:30 a.m., in room 2261, Rayburn House Office Building, Hon. Michael T. Blouin presiding.

Members present: Representatives Blouin, Mottl, LeFante, Kildee, and Quie.

Mr. Blouin. The subcommittee will come to order.

The minority staff has waived its right to objection for the lack of a second member present. I understand Congressman Quie and others are on their way over.

The full committee has a scheduled meeting at 10:30 this morning. Under committee rules we will necessarily have to temporarily recess just prior to 10:30 and reconvene immediately upon completion of the actual committee work.

They have one small bill that needs to be moved out of that committee this morning.

The Subcommittee on Elementary, Secondary and Vocational Education, in cooperation with the Advisory Study Group on Indian Education, is conducting oversight hearings this week on Indian education. The hearings today and tomorrow will be on basic federal support to Indian education. The hearing on Thursday will be in cooperation with the Postsecondary Subcommittee and will be on support for Indian controlled postsecondary institutions.

In discharging its duties with respect to Indian education, the Education and Labor Committee has established the Advisory Study Group to conduct intensive investigations and recommend ways of improving both the program and their delivery. These hearings are a part of that charge.

The focusing of attention on federal basic support will be two-pronged; number one, we will address the need for such basic support and the adequacy of federal programs in fulfilling that need; and two, we shall address the problem of whether the current educational delivery systems at the state, federal and contract level are fulfilling the educational needs of the Indian children.

By bringing some focus on this latter topic we hope to end the myth that the Federal Government in carrying out its responsibility to the Indian nations and tribes will be a bottomless well of fiscal resources regardless of the end educational result. We must never forget, as persons removed from the local areas are prone to do, that the education of the Indian child is our primary and our only real concern.

As I mentioned, we will have to recess temporarily at 10:30 this morning, probably for no more than a half hour, and reconvene at that point until the completion of our schedule.

Our first panel this morning is Myron Jones, the Executive Director of Indian Education Training, Inc., out of Albuquerque, New Mexico, and Mr. Jon Wade, the Chief of Educational Assistance, Indian Education Resource Center, Bureau of Indian Affairs, Albuquerque.

I understand you are both to come as a panel. We have copies of your testimony. We will include them in the record as written, and we would appreciate it if you would summarize what you have and go from there.

STATEMENT OF MYRON JONES, EXECUTIVE DIRECTOR, INDIAN EDUCATION TRAINING, INC., ALBUQUERQUE, N. MEX.; AND JON WADE, CHIEF OF EDUCATIONAL ASSISTANCE, INDIAN EDUCATION RESOURCE CENTER, BUREAU OF INDIAN AFFAIRS, ALBUQUERQUE, N. MEX.

Mr. Blouin. Mr. Jones, maybe you would like to start.

[The prepared statements of Mr. Wade and Mr. Jones follow:]

3

BASIC SUPPORT OF PUBLIC SCHOOLS
EDUCATING INDIAN CHILDREN

BY

JON C. WADE

Over the past half century, and specifically since the 1950's, Federal policy has promoted and encouraged the enrollment of Indian children in public schools. To facilitate this policy, many Federal schools were closed or transferred to the public school district for use.

The list of such schools would bring fond memories to the hearts of Indian people. It would include Spring Creek, Oak Creek, He Dog, Rosebud, Horse Creek, Blackpipe, Milk's Camp, Thunder Butte, Iron Lightning, Bear Creek, Four Bear, Green Grass, Payaba, Riverside, Firethunder, Pahin Sinte, Medicine Bow, Red Shirt Table, Slim Butte, Old Agency, Big Coulee, Long Hollow, and those are just in South Dakota.

On page 5 of Statistics Concerning Indian Education, Fiscal Year 1952, published by the Bureau of Indian Affairs it is written, "The Bureau of Indian Affairs is transferring the operation of Federal schools to local districts as rapidly as conditions are favorable ...". Also, "As a result of the operation of this law (Johnson-O'Malley), some States having large Indian populations do not have any Federal schools within their boundaries."

Indian parents were told that this arrangement would be "better" for their children with no loss of services, and, that, the Bureau would ensure this via the Johnson-O'Malley contracting authority. It was, also, this assurance that smoothed the public school's acceptance of these children. The Congress was told that this arrangement would cost less money.

The Trail of Broken Treaties begins with the fulfillment of that statement to the Congress:

1st - It cost less because Indian children are entitled to the same educational opportunities as all other children,

2nd - The State is responsible for the education of all children, including Indians,

3rd - The Federal government should not put "Indian money" into public schools which will also benefit whites, and

4th - On November 4, 1975, the Bureau published regulations which stated it was no longer going to provide funds to support public schools educating Indian children.

Our commitment to Indian parents for better services did not last one generation.

Everyone was pointing their finger at the other over responsibility, over mill levies, and state average costs, and assessed valuations. We forgot about that better program for kids.

Your chairman, Mr. Perkins is concerned about that better program for kids. HR 1138 is built on the premise that the quality of a child's education should not be the result of the wealth of the school district in which he attends school nor the relative wealth of his state. He says the Federal Government has an obligation "in making available to all children an education of high quality".

If we cannot do it for all children at this time, let us, at least, do it for those for whom we promised something better -- namely Indian children.

It is recognized that to fulfill that committment requires a management system that is fair, knowledgeable, and able to act. The following are my recommendations for such a system:

Basic Premise:

1. The Federal Government has a continuing concern for the education of Indian children living on or near reservations.
2. The quality and quantity of an Indian child's education should not be a result of the wealth of the school district in which he attends school, nor of the relative wealth of his State.
3. The State's minimum education standards are not the goal of the Federal Government for Indian children.

Criteria:

To request assistance for operational support, a public school district shall be required to establish as part of its proposal that

(1) It cannot support an educational program, excluding categorical compensatory programs, comparable to other schools in the State or immediate

region which have a similar enrollment and isolation factor.

(2) It must clearly identify the educational program it will maintain in the absence of grant funds. The school will, also, clearly identify those additional programs and services it wishes to maintain if grant funds become available. Also, any program that is supported by grant funds must be compatible with available facilities.

As an integral part to awarding a grant, it is necessary and essential that the Indian Education Committee approve the application for assistance and agree with those additional programs to be maintained with grant funds.

(3) It has made a reasonable tax effort.

(4) It has fully utilized all other sources of financial aid.

Priorities:

Appropriated funds will be allocated in the following priority:

1st - all school districts whose Indian enrollment exceeds 75% of the total school enrollment

2nd - all school districts whose Indian enrollment exceeds 50% of the total school enrollment and are not ranked in the first priority

3rd - all school districts whose Indian enrollment exceeds 25% of the total school enrollment and are not ranked in the first or second priority.

If appropriated funds are insufficient to fund all the school districts requests within any one category, priority within each category will be given to school districts in rank order from the highest percentage of Indian enrollment to the lowest.

Administration:

To provide guidance to the administration of this program a committee of five to nine members should be selected by the Commissioner for the purpose of accepting, reviewing, and making recommendations to the Commissioner on applications for assistance received by the Bureau. This Committee should be composed of persons recognized as competent in the field of public school finance and educational administration, and should represent State Departments of Education, universities, Tribal government, public schools and Indian Education Committees. The committee should establish and publish criteria by which it will make its recommendations. Further, when the committee determines that to select comparable districts for any one particular district would perpetuate mediocrity in that district, the committee could establish alternative standards for comparability purposes.

Further, a minimum of five positions be established at the GS 11/12/13 level for the purpose of making field assessments, monitoring contracts, providing technical and professional assistance to affected public schools, and other duties as related to this program.

Also, the Chief, Division of Educational Assistance be named Chairman of this committee and provide program direction to the aforementioned staff.

Appropriation:

There are between 25 and 35 public schools in the States of Arizona, Idaho, Mississippi, South Dakota, Nebraska, Oklahoma, and Nevada which could use this assistance. Further, initially no more than $5 million would be needed to fund these schools at an adequate level.

In conclusion, I recommend a program of supplemental assistance to the basic program of public schools located on reservations and educating large numbers of Indian children. I recommend a program that provides additional resources to these public schools so as to take them from where they are to a position where they will be able to offer an adequate and substantial educational program for their school. I believe the Federal Government should have such a program. We cannot wash our hands of Indian children once they are enrolled in a public school. We have a continuing concern. It is a partial fulfillment of that promise for something better.

TESTIMONY BEFORE OVERSIGHT HEARINGS FOR THE HOUSE COMMITTEE ON EDUCATION AND LABOR

My name is Myron Jones and I'm the Director of Indian Education Training, Inc. in Albuquerque, New Mexico. Thank you for inviting me to testify before this committee.

Because of our organization's work in Johnson O'Malley, including the issues involved in basic support payments, we were asked in 1975 to work on the study of the basic support issue called for under Title II of the Indian Self-Determination Act.

The following brief history of Johnson O'Malley is taken directly from that report.

BRIEF HISTORY OF JOHNSON O'MALLEY AND SCHOOL DISTRICTS' FINANCIAL NEEDS

Although the Johnson O'Malley Act is frequently discussed as if it started Indian attendance in public schools, it, in fact, only gave the BIA contracting authority with States for a process that had begun in 1891 - 43 years earlier.

The Secretary of Interior's report of 1900 expressed scepticism in the following language ..."nothwithstanding the incentive of $10 per capita offered by the government ... indifferent results were obtained."

Public schools for Indian pupils, they concluded, are valuable "only when they are located in sections favorable to the coeducation of the races."[1]

At the time of the Meriam report in 1928, still six years before Johnson O'Malley, there were more Indian students in public schools than in Bureau schools. In 1930, 53 percent of Indian students were in public schools. The BIA was negotiating separate contracts with each school district and they were beginning to run past the hundreds into the thousands. JOM was intended primarily as legislative authority to deal with central contracting agencies, i.e. States.[2]

The Bureau's position relative to financial compensation for school districts was stated by Carson Ryan, Director of BIA Education, 1930-35, in a letter to the Superintendent of Schools for the State of Washington. He wrote that it was the intention of the Federal government to offset school districts for the loss of taxes and not to pay the entire cost for the education of Indian children.[3]

There was a difference of emphasis on JOM from the beginning. The school districts and States concentrated on the financial compensation, and the Bureau, while acknowledging the justification for the payments, wanted to use their experience to influence curricula and programs for Indian students. They offered to position BIA educators in State department offices. This was a delicate matter, and when it worked it could be laid, not to a miracle of bureaucratic coupling, but to the diplomacy of the BIA people involved.

In 1936 the Bureau had JOM contracts with California and with Washington. Based on these two programs, however, John Collier's Annual

Commissioner's report listed as the most important controlling factors: type and quality of schools actually maintained; amount of money needed to maintain a suitable school adapted to the needs of Indian and white children; amount and value of non-taxable Indian lands; methods of taxation; amount of State support for education; basis of distribution of State support; maintenance and capital outlay costs; changing legislation affecting school finances; distribution of Indian children; and attitudes of whites toward Indians.[4]

(It may be necessary to take time out to quash the rumor that John Collier is alive and well and writing 1975 legislation and work requirements.)

There was, of course, no such thing as one national financial need for Indian education. In Oregon 60% of school budgets were raised from local taxes. In New Mexico less than one fourth was raised locally. What was important was that the Bureau was unable to effect or have any real control over State programs for Indians. California was the first State to apply for a JOM contract in 1934, but by 1942 the Bureau position of Indian superintendent in California had been abolished.

In 1938, Willard Beatty, the new BIA Director of Education, wrote to the State Superintendent of Schools in Arizona saying that the State of Arizona "would take over the distribution of tuition funds to the several districts." Under those conditions of control, Arizona became the fourth State to contract for JOM.[5]

This was the beginning of the bureaucratic equivalent of the indefinitely extended separate honeymoon. It is not surprising that Arizona would be shocked to hear the Bureau come back 38 years later to ask the State, however politely, to justify what they had been doing.

PL 874 and PL 815 (Impact Aid) were both passed in 1950 to take care of general operating expenses and construction respectively for students from tax exempt land. The bills, however, were motivated by a growing military and other Federal tax exempt presence and not by Indian lands, which were presumably handled through Johnson O'Malley.

In 1953, both acts were amended to include Indian land, but several States lobbied to avoid an automatic transfer from JOM to PL 874. They wanted the right to retain JOM because they preferred its flexibility to the entitlement formula offered by PL 874. The amendment allowed States to determine which funding they would receive. A transfer to PL 874 meant an automatic cut-off of JOM. Florida and Oregon were the only two of 18 JOM States that transferred to PL 874. Oklahoma was able to receive both types of funding because their JOM was used for special services (lunches, supplies, books, transportation) rather than basic maintenance and operation.[6]

Congress again amended PL 874 in 1958 and required all States receiving Johnson O'Malley to transfer to PL 874 funding. This did not eliminate JOM. If the new PL 874 funding was less than that previously received from JOM, those districts could use JOM to make up the difference.[7]

On September 13, 1958, the BIA revised their JOM regulations by adding the following language: CFR, Part 33, Section 33.4, Contracts with Public Schools:

> (b) The program will be administered to accommodate unmet financial needs of school districts related to the

> presence of large blocks of nontaxable Indian-owned property in the district and relatively large numbers of Indian children which create situations which local funds are inadequate to meet. This Federal assistance program shall be based on the need of the district for supplemental funds to maintain an adequate school after evidence of reasonable tax effort and receipt of all other aids to the district without reflaction on the status of Indian children.
>
> (c) When school districts educating Indian children are eligible for Federal aid under Public Law 874, 81st Congress (64 Stat. 1100) as amended, supplemental aid under the act of April 16, 1934, supra, will be limited to meeting educational problems under extraordinary or exceptional circumstances.

Section (b) was written as if no one had ever suggested legislation like PL 874. Section (c) acknowledges the existence of PL 874 and limits eligibility to "extraordinary" or "exceptional" circumstances. These key words were never defined by the BIA, but many States and individual school districts rewrote the English language through pragmatic application. By the time these regulations were superseded in 1974, more than 95% of the school districts with eligible Indian students received both PL 874 and JOM. The other 5% were "extraordinary" and "exceptional" in that they were not eligible, and in those cases their ineligibility was determined by State plans, not by the Bureau.

These regulations were, at best, a distorted reflection of the original intent of the Act; they were an accurate reflection of administrative control. It had passed completely from the Bureau to the States. Authority for administering Indian education had not been delegated to the States; it had been surrendered.

In 1965, the Elementary and Secondary Education Act was passed and potentially almost all Indian students would be eligible for special programs designed for the "educationally and economically deprived."

In 1972, PL 92-318 (Part A, Indian Education Act) was passed which made available additional funds available to school districts for special, supplementary categorical Indian needs.

There is no disagreement that PL 874 was initially intended to take care of general operating expenses and that Johnson O'Malley was designed for special needs. The Bureau did not perceive itself responsibile for either avoiding or even checking for duplication, and the result was that until 1969 more than 90% of JOM funds were also spent for general operating expenses.

When pressure from outside the Bureau - Indian communities, organizations, Kennedy Subcommittee Report - tried to force JOM into special need programs, many States and school districts argued that JOM, ESEA, and the Indian Education Act created an excess of special services. It has been generally the goal of school districts to get the maximum amount of non-categorical, non-earmarked money with which they could make all the decisions. That's not surprising. Their wishes are not the problem. The problem is that John Collier's advice in the 1936 Commissioner's report has not been taken seriously. There has been no test for "type and quality of schools actually maintained; amount of money needed to maintain a suitable school adapted to the needs of Indian and white children; amount and value of non-taxable Indian lands; methods of taxation; amount of State support for education; basis of distribution of State support; maintenance and capital outlay costs; changing legislation affecting school finances; distribution of Indian children; and attitudes of whites toward Indians."[8]

FOOTNOTES,

[1] _Education and the American Indian_, Margaret Szasz

[2] _Ibid._

[3] _Ibid._

[4] _Ibid._

[5] _Ibid._

[6] _Ibid._

[7] _Ibid._

[8] _Ibid._

The current Johnson O'Malley regulations (PL 93-638, Title II) of 1975 reflect many of the issues discussed in the full report.

(b) (1) To contract for operational support, a public school district shall be required to establish as part of the proposal that:

(i) It cannot meet the applicable minimum State standards or requirements without such funds.

(ii) It has made a reasonable tax effort with a mill levy at least equal to the State average in support of educational programs.

(iii) It has fully utilized all other sources of financial aid, including all forms of State aid and Pub. L. 874 payments. The State aid contribution per pupil must be at least equal to the State average.

(iv) There is at least 70 percent eligible Indian enrollment within the school district.

(v) It shall clearly identify the educational needs of the students intended to benefit from the contract.

(vi) It has made a good faith effort in computing State and local contributions without regard to contract funds pursuant to this part.

(vii) It shall not budget or project a deficit by using contract funds pursuant to this part.

Having spent years raising questions about previous (1958) BIA regulations, I now find it a pleasant diversion to defend them. I believe they're sound, and I look forward to the day when even the BIA Area offices will look upon them with approval and conviction.

The present regulations apply several important tests which deal directly with the financial need of school districts. They need Johnson O'Malley money because they're poor. Poor compared to what? To whom? What caused their shortage of funds? Federal policy? Local policy? If they don't have additional Federal money they will not be able to ---------------------------. The present regulations require them to fill in the blanks.

The issue is not whether some districts are poorer than others, or whether additional Johnson O'Malley funds will be helpful. The issue is accountability. The Federal government gives money to this school rather than that one. Why? What is the justification? And after the schools get the money, they use it for something. What? These are reasonable questions, and the regulations do nothing more than ask them in a manner appropriate to the total context of Johnson O'Malley funding.

In Arizona and South Dakota, those States which have complained the loudest about the new regulations, there are two quite different situations. Arizona school districts lack necessary funds because the State distribution formula systematically discriminates against Federal districts. This means that individual Arizona school districts with high percentages of Indians may very well have basic support funding needs. When the State of Arizona itself complains, however, it is in the position of a mugger asking for public financial relief for his victims.

South Dakota is in a different position. There the State does not discriminate against Federal districts. It is equally indifferent to all districts. There is only one state in the country that has a lower state contribution to education than South Dakota. It does, however, have the sixth highest Federal contribution and the third highest local contribution. If you have local wealth, you're in good shape; if not, you're out of luck. One can understand why individual school districts in South Dakota are in financial trouble. The State's position surpasses the normal standards of hyprocrisy. They're not muggers - they're misers. That's certainly their choice under our system of government, but they go too far when them complain of the lack of unbridled Federal generosity that's abroad in the land these days.

As I understand it, the chief complaint from South Dakota has to do with the requirement that 70% of a district must be Indian before it can claim Indian presence as a justification for poverty. Since these regulations have in fact been waived by the BIA Area office, South Dakota can be charged not only with looking a gift horse in the mouth but by complaining about a lack of gold teeth.

Basic support money, by definition, goes into the general school operational fund. That means it is used for the entire school system. That also means that even when a district conforms to existing regulations and has exactly a 70% Indian population, only 70 of each 100 dollars appropriated by the BIA is being used for Indian students. As the percentage drops, so does the justification for a Bureau of Indian Affairs appropriation.

It is understandable that any school district given a choice of (A) more money (B) the same amount of money (C) less money will pick one from list A and stop there. It is also understandable that the same school district would prefer no accountability to some or a great deal. What is not understandable is the Federal acceptance of Indian created poverty when it is patently not true.

If a school district is fifty percent Indian, forty percent Indian, thirty percent Indian, or let's say an astonishing fifteen percent Indian, what extraordinary gall it is to say the poverty is caused by the fifteen percent Indian rather than the eighty-five percent non-Indians in the district. Indians in South Dakota who live on tax exempt land all bring to the school districts non-categorical PL 874 funds which far exceed the non-Indian per capita tax contribution in the poorer districts.

Apparently the theory here is that a little Indian goes a long way and that every Indian carries a cloud of poverty that proliferates the atmosphere and creates unhealthy financial state far more significant than the poverty created by the majority of non-Indians. Do the anthropologists know about this? Why does it only happen in South Dakota? There's enough material here for several doctoral theses.

If one moves away from mysticism and into mathematics, the financial problems of South Dakota school districts can be traced. (1) There is no State commitment to equalization. (2) School districts without either significant taxable income or PL 874 (Impact Aid) funds are going to be poor.

But Indians living on tax exempt land do produce PL 874 funds, and so the real problem of these low percentage Indian districts is not that they have too many Indians on tax exempt land, but, rather, that they don't have enough tax paying citizens paying high enough taxes.

I suppose a non-Indian exchange program with, say, Beverly Hills would present great logistical problems, but it would be more logical than trying to maintain that fifteen percent of the students create 100% of the poverty.

The truth is that the association between Indian presence and educational poverty is a long established one. Although Indians have been citizens since 1924, and therefore entitled to the same State benefits as all other citizens, the actual step of educating Indians has been undertaken only when there has been a guarantee of sufficient back-up money. Everyone is willing to educate Indians - if the price is right.

The myth that Indian presence creates poverty in a school district persists in the face of constantly mounting evidence. No one knows this better than this committee which has compiled a list of all the education laws which effect Indians and Indian funding.

Why does the myth persist? It's a long standing custom, for one thing. But there's a connected issue that's still more important. If you can get by with saying, "If we only had the money, we could do a good job," your're home free because you're no longer responsible. Indians parents who have been told for generations that they represent a financial burden to schools are not likely to ask for or demand quality education.

Forty years ago the Bureau of Indian Affairs understood that the transfer of Indian students to public schools on an ever increasing scale required both a delegation of Bureau responsibility and special assistance.

By 1940, starting with the Arizona JOM contract the BIA had handed over its authority and responsibility to the states. Within the past ten years there have been GAO reports on both South Dakota and Arizona and both asked the same questions I'm now asking. Why do only some states and some districts get basic support money and what do they do with it? In the 1974 and 1975 regulations, the BIA asked the same questions.

It is ironic that the Bureau of Indian Affairs has no problems whatsoever asking its all-Indian schools (BIA and Contract) to justify every nickel before and after the fact, but develops a sudden case of terminal timidity when confronted with non-Indian institutions that say, in effect, "We need your money. Don't ask how or why. Hand it over and we'll let you know when it's gone."

Try to imagine these same school districts with 15% of their enrollment coming from military installations asking the Department of Defense to cover the gap between their projected school budget and their projected school income with no budget line items. Or try to imagine an all-Indian contract school asking the Bureau of Indian Affairs for the difference between its projected needs and income with no accountability. The existing regulations do nothing more than require the Bureau of Indian Affairs to drop its double standard, finally, once and for all, and everywhere.

Thank you.

MJ/ejw
5/12/77

Mr. JONES. I would like to say for the record that I have been given several honorary doctoral degrees in the last few weeks but I am not a doctor, either academic or medical.

My name is Myron Jones and I am the Director of Indian Education Training, Inc., in Albuquerque, New Mexico. I and my organization have been working on Johnson-O'Malley issues for the last seven years and on basic support issues for the last six years.

In 1975 we participated in a study called for in Title II of 93-638, the Indian Self-Determination Act, to look at the question of basic support needs in school districts. In the course of doing that study, I wrote a brief history of basic support which I have included in the testimony. I would like to summarize.

Johnson-O'Malley is commonly talked about as if it was the beginning of the movement of Indian students to public schools, but it was not at all. The movement of Indian students towards public schools started in 1890, and in 1912 the Commissioner of the Bureau was complaining about the fact that public schools did not seem particularly anxious to educate Indians even though the Bureau was offering $10 a student in tuition.

By 1928, at the time of the Meriam report, there were, in fact, more Indians in public schools, more federally connected Indians, than in government schools. Johnson-O'Malley was not a new movement, therefore, but a consolidation of an effort that had been going on for 40 years.

The real purpose of Johnson-O'Malley was to allow for simplification of contracting between the Bureau of Indian Affairs and states. This is what it allowed for. In 1936 Johnson-O'Malley was amended to include not only states but school districts, political subdivisions, and profit and nonprofit corporations. Virtually everyone, except Indian tribes, themselves could contract to deliver Johnson-O'Malley services.

I think there was early correspondence from the '30's as reported by Margaret Szasz in her book 'Education of the American Indian,' which indicates that from the beginning of Johnson-O'Malley there were two separate understandings of what it was supposed to be. From the public school point of view, Johnson-O'Malley meant simply extension and simplification of tuition payments. From the Bureau's point of view it meant payments in lieu of taxes, but it also meant making available money that could be used for special Indian educational needs.

The problem the Bureau had with state departments of education is that it had no authority whatsoever, and so Bureau people could sit in on state departments insofar as the state was willing to have them, but if they offered too many ideas, not a great threat in most cases, but as in California, the state departments of education kicked them out.

The real change, the real movement from the Bureau's idea of what Johnson-O'Malley could be to the state's idea came with the Arizona contract in 1940. Arizona offered for the first time to accept Johnson-O'Malley money only on the condition they would distribute the funds, that they and they alone would decide where the money was needed and what it should be used for. The Bureau acquiesced, a move from which it has, in many respects, never fully recovered.

In 1950, when impact aid was passed, Indian reservations were specifically excluded from the federal property understanding of the law because of the presence of Johnson-O'Malley. In 1953, impact aid was amended to include reservations. However, states then had to decide whether they would accept Johnson-O'Malley or impact aid. They could have one or the other but not both.

Only Oklahoma and Florida chose to accept impact aid; the rest of the states preferred Johnson-O'Malley, which was more predictable and less stringent.

In 1958, impact aid was again amended, this time to say that in fact school districts could apply for both impact aid and Johnson-

O'Malley for their financial needs. At that time the Bureau of Indian Affairs rewrote Johnson-O'Malley regulations to say:

When school districts educating Indian children are eligible for Federal aid under Public Law 874, 81st Congress (64 Stat. 1100) amended, supplemental aid under the act of April 16, 1934, supra, will be limited to meeting educational problems under extraordinary or exceptional circumstances.

They never did define extraordinary or exceptional but they were clearly not defined the way the dictionary defines them, because 95 percent of the districts immediately became exceptional and extraordinary and received both sets of funding.

The system that was used for Johnson-O'Malley basic support funding at this time, growing out of the 1958 regulations, essentially was that school districts would prepare a budget representing their needs for the next year. They would then draw up another budget which reflected expected income, and the Bureau would pay the difference between what they wanted and what they were going to get, an extraordinary system which I myself would like to apply to myself when it extends to individuals.

As people looked into the Johnson-O'Malley question, including the Kennedy Subcommittee, the NAACP, my own organizations, and others, they noticed that Johnson O'Mally and Impact Aid represented duplication, and there was no clear criteria to determine who would get basic support under what conditions and what in fact they would do with it.

In 1972 the Bureau of Indian Affairs had an across-the-board 5 percent cutback and the State Department of Education in Arizona held a press conference to say if they lost the 5 percent of the funds they would have to close down 12 entire school districts the next year because they would be too poor to operate.

In 1974, Johnson-O'Malley regulations were changed for the first time since 1958. The new regulations applied standards for basic support funding. They were never put into effect because Public Law 93-638 was passed in January '75, and the assumption was that the new regulations for Johnson-O'Malley would supercede them before they could possibly be put into effect.

However, the regulations of 1975 under Title II of the Self-Determination Act now apply criteria for basic support funding and it is as follows:

"(b)(1) to contract for operational support, a public school district shall be required to establish as part of the proposal that:

(i) It cannot meet the applicable minimum state standards or requirements without such funds.

(ii) It has made a reasonable tax effort with a mill levy at least equal to the state average in support of educational programs.

(iii) It has fully utilized all other sources of financial aid, including all forms of state aid and Public Law 874 payments. The state aid contribution per pupil must be at least equal to the state average.

(iv) There is at least 70 percent eligible Indian enrollment within the school district.

(v) It shall clearly identify the educational needs of the students intended to benefit from the contract.

(vi) It has made a good-faith effort incomputing state and local contributions without regard to contract funds pursuant to this part.

(vii) It shall not budget or project a deficit by using contract funds pursuant to this part."

These regulations have all been in effect since November, 1975. My understanding is that the regulations have in fact been waived in the State of South Dakota and have never been put into effect.

I do not think that the real issue on basic support payments is whether or not some school districts educating Indian students are poorer than others or whether or not some need money after having used all state and federal funds. I think there is no question some are poorer. I think the issue is federal accountability.

The issue, as far as I am concerned, is: Does the Bureau of Indian Affairs, does the Federal Government, have a right to say, "We will give you money because you have used all other sources of funds including impact aid and you are still poor, but compared to what, and compared to whom? And if we give you the money for survival, will you document the nature of that survival for us?"

In other words, if a school district says, "If we did not have our Johnson-O'Malley funds, we would not be able to do—" to do what? Why can't school districts put that into their budget? I do not understand why they cannot.

I think the main opposition to the new regulations comes from four different sources: individual school districts in Arizona, the State of Arizona, individual school districts in South Dakota, and the State of South Dakota. I would like to separate those four issues because I think they are different.

When we did the study of basic support states in school districts in 1975 we found that the State of Arizona had developed a so-called equalization formula that specifically discriminated against districts getting federal funds. If you like, later I will describe that formula for you because it is ingenious.

When the State of Arizona complains about lack of basic support funding, I think they are in a position of a mugger who is asking for public funding for his mugging victims.

The financial discrimination against the school districts by the state formula accounts for considerably more money than Johnson-O'Malley basic support funds in the State of Arizona. However, that does not mean that individual school districts within Arizona, particularly those districts that are overwhelmingly Indian, do not continue to need money. Some of the individual school district people have talked to me, quite properly I think, saying I may talk as much as I want to about how Arizona *should* come through with the money, but in fact the state has not come through with the money, is not planning to come through with the money, and will astonish everyone, including myself, if they ever do come through with the money.

In the meantime the school districts are honestly hurting.

I think there is a difference between financial needs as expressed by the school districts and the financial needs as expressed by the state.

I think the same thing is true in South Dakota in a different way. Now the separate issues arise. The State of South Dakota ranks 49 out of a possible 50 in terms of its contribution to education on a state level. As I said in the written testimony, when the State of South Dakota complains about the lack of generosity from the Federal Government they are in a position of a miser who himself has not given a nickel in 20 years but is concerned because his fellow citizens are not kicking in enough for the Community Chest. They are simply in no position to complain at all.

At the same time, the federal contribution in the State of South Dakota is the sixth highest in the country, and I think the local contribution is the second or third highest in the nation, which means in the State of South Dakota if you have local tax wealth you are in good shape and if you do not have local tax wealth you are not in good shape. Therefore, the school districts may in fact be poor and they may have a right to complain about their poverty, but the state, does not have a right since they helped to create it in the first place.

There is another issue about South Dakota. As I understand it, now and two years ago, the chief complaint from South Dakota school districts was the requirement that a district had to be 70 percent Indian before it could get basic support money. Since there were districts in the state that were 13 or 15 percent Indian, that were getting basic support money and would lose under the new regulations, there is now proposed legislation that would reduce the Indian population percentage requirement from 70 percent to 15 percent.

Let me read from my testimony at this point because I am not sure I want to say it any differently. First I will point out since the regulations have been waived for South Dakota and they have been getting the money regardless of the Indian percentage, I think they can be charged, not only with looking a gift horse in the mouth, but complaining about a lack of gold teeth.

Basic support money, by definition, goes into the general school operational fund. That means it is used for the entire school system. That also means that even when a district conforms to existing regulations and has exactly a 70 percent Indian population, only 70 of each 100 dollars appropriated by the BIA is being used for Indian students. As the percentage drops, so does the justification for a Bureau of Indian Affairs appropriation.

I do not understand the justification. Also I do not understand if a district is 15 percent Indian and poor, why the 15 percent Indian should be blamed for the poverty and not the 85 percent non-Indian. I have proposed a non-Indian exchange program with Beverly Hills for the non-Indians of South Dakota districts, but I do not understand why Indians are blamed for the poverty. No one has ever proven that the presence of Indian students automatically creates poverty.

I do not think anyone wants to try to prove it in a serious or factual way. I think the districts are able to get away with this because there is a long-standing myth that because Indians come from land without ad valorem taxes, the presence of Indian students makes a school district poor. That is not true, and I do not think anyone knows this better than committee members who have worked on the issue and who have looked up public school finances relative to Indians.

The State of South Dakota funds brought in by PL 874 on a per-pupil basis account for considerably more than the tax contribution of non-Indians in the poorer districts. So the real problem in the South Dakota school districts with low percentage Indians is not that they in fact have too many Indians but that they do not have enough, not enough living on federal land bringing in impact aid funding.

The other problem is the state has no equalization formula and does not produce the money.

The recommendation I would, therefore, make on basic support is that the regulations as they now exist be followed. I look forward to the day when even the BIA area office will follow the regulations. I think they are sound. OI think they ask for accountability. I do not think they preclude the possibility of basic support funding, but I think they ask for accountability, which is long, long overdue.

I stop there.

Mr. BLOUIN. Thank you, Mr. Jones. Mr. Jon Wade is our next witness.

"If I might summarize" means to be briefer than reading the text. If you can summarize briefer, fine, otherwise feel free to read the text, whichever comes out shorter.

Mr. WADE. Myron and I flew in together and we agreed to disagree. So while he has been talking, I have had to rewrite my statement.

Basically my testimony says that over the past half century the Federal Government has encouraged Indian people to enroll themselves into public schools, particularly since the '50's, and that in that encouragement the government made substantial commitments to the Indian people about quality and quantity of education. At the time those commitments were made the BIA said, "We will be with you." It turns out the Federal Government does not allow them to be with them. They force Indian parents to make choices between supplementary programs for their children or a basic program.

I have recommended an administrative system by which the Federal Government can meet its commitment. That system includes the establishment of a standard by which we measure a quality program that we want for Indian children, the establishment of a competent body to judge any school against that standard, and to make recommendations on grant awards, if any, and the establishment of a monitoring and field assessment capability to insure accurate information.

Myron hit heavily on the lack of federal accountability. I agree with that assessment. The bottom line is that the quality or quantity of a child's education should not be the result of the wealth of the school district in which he attends school, nor the relative wealth of the state.

Your chairman, Mr. Perkins, in introducing House Resolution 1138, talks about the Federal Government's obligation in making available to all children education of high quality. I conclude by saying that if we cannot do it for all children at this time let us at least do it for those for whom we promise something better, namely Indian children.

Mr. **Blouin**. Thank you.

I have a couple of questions and I will move on to some of the other members of the committee as well.

Mr. Wade, what in your opinion is the overlap between JOM and 874 monies? In your opinion do they serve the same kids or are there differences? Why do you think both are needed, if they are?

Mr. **Wade**. In talking about JOM we are talking about the basic support contribution.

Mr. **Blouin**. Yes.

Mr. **Wade**. The 874 comes as an entitlement to the school district based on a formula that measures the number of children whose parents either work on or live on federal property. The way the JOM program is supposed to work is that all resources, including 874, are considered before any commitment of basic JOM support is committed. That is the way it is supposed to work.

The problem is that—that is one of the reasons I recommend a standard—public schools or the Bureau or the Federal Government does not have a standard by which to measure whether or not 874 and all other resources are sufficient. Therefore, it is arbitrary, and the difference made up by JOM basic support is an agreement that is made between whoever has control over those basic support funds and that public school district.

Mr. **Blouin**. Did I understand you correctly? You said BIA has no standard of measuring what basic support ought to be, or what the standard ought to be?

Mr. **Wade**. That is correct. In the regulations, it says that a school district is eligible to be considered if they prove that without our money they cannot meet minimum state standards.

Mr. **Blouin**. What should that measurement be? How would you decide it if you could?

Mr. **Wade**. The method for devising that standard is a knowledgeable group of people, 5 to 9 people, who are competent in the fields of school administration and education and school finance, form a committee and they would make up a cross section of those people that are concerned, and they themselves would establish that standard and they would publish it, and it would be the standard by which they would measure the need of a school district.

Mr. **Blouin**. You would localize it to the school district and let them determine it?

Mr. **Wade**. No. I say this committee we would establish nationwide would review every school district's proposal for assistance.

Mr. **Blouin**. Is it your opinion, just to get it clearly on the record, that JOM basic should be continued?

Mr. **Wade**. Yes.

Mr. **Blouin**. In what form? What changes would you make beyond this monitoring?

Mr. **Wade**. A very strict accountability system. The form would have to also include that the school district establish what programs they are going to support without our money and that they, in conjunction with their Indian education committee, come forward with those programs that they are going to support with these funds, and that this committee make decisions about that.

Mr. BLOUIN. Do you think the 70 percent requirement should be continued?

Mr. WADE. I think we in the Federal Government are concerned about Indian children and that high numbers of Indian children also have an impact, so I would not limit it to a percentage. I would think about numbers.

Mr. BLOUIN. You would drop the percent altogether and just have the dollars on a per-pupil ratio?

Mr. WADE. No. I would talk about school districts that educate large numbers of Indian children on or near the reservation.

Mr. BLOUIN. You have to revert to a percent of some description, do you not?

Mr. WADE. I think 500 would be a large number.

Mr. BLOUIN. Out of how many?

Mr. WADE. But it could be 30 percent of the school district.

Mr. BLOUIN. Right.

Mr. WADE. My paper also says that in the availability of funds it would be on a percentage ranking, but in eligibility to come to the committee and eligibility to come to the Federal Government for assistance, it would be those school districts educating large numbers of Indian children on or near the reservations.

The allocation of funds I have recommended would be on a percentage basis, that the highest percent Indian school would get first crack at the dollars and on down as far as the dollars are available.

Mr. BLOUIN. Would you require any kind of basic program in a school receiving JOM?

Mr. WADE. Yes. I would require that that Indian community design the program that they want before any of our federal dollars were to go into that program.

Mr. BLOUIN. So in other words, you would be requiring that JOM basic be earmarked specifically for instruction of Indian students within that school for a curriculum devised by some type of parent committee?

Mr. WADE. Right. It is entirely possible that curriculum would not just include Indian children.

Mr. BLOUIN. Do you think you would get any public schools to go along withg that kind of system?

Mr. WADE. Yes.

Mr. BLOUIN. Do you think you could palm it off in South Dakota?

Mr. WADE. Yes.

Mr. BLOUIN. Mr. Jones, could we get your response to those questions?

Mr. JONES. I am afraid I do not really believe the Bureau's position has been that they follow basic support because they are honoring a commitment. I do not think it is related to either percentage or numbers; it is simply related to who could most effectively put pressure on the Bureau. The evidence is that the school district with the greatest number of Indian students and the highest percentage of Indian students in fact get no basic support whatsoever.

Gallup has the largest number of Indian students in the country; a school in Alaska is second, Central School District, New Mexico is third. None of these school districts get any basic support money. They do not get it because on a state level the state told them they were not going to get it, that they could no longer get it, so they have told the Bureau they do not want it, and therefore they do not get it. The Bureau has not tried to talk them into basic support.

Mr. **Blouin**. The state told them they could not have it?

Mr. **Jones**. That is right. When the state JOM plan changed within this state and said this state will use Johnson-O'Malley for supplementary only, that became part of the state plan. The Bureau has not gone around trying to persuade Gallup to talk the State of New Mexico into changing its policy, nor are they going to.

In fact, who gets basic support is determined only by state policy. It exists only in five states in the country and there are five states that have declared as a state policy a need for it. It is not a district issue at all. Interestingly enough, in the case of the supplementary program, the nonbasic support states, it was not the Bureau that brought them into line; the states brought themselves into line. I sat in on a discussion as bizarre as this one in a way—I, a non-Bureau person, arguing for the regulations and John arguing against them.

In the State of New Mexico we had a meeting with the State Department of Education in which the Bureau of Indian Affairs insisted there was accountability and the state insisted it was money from heaven; they did whatever they wanted to with it and they were ready to change their minds and be good boys, and the Bureau insisted they had been good boys. The state won the argument because they outmuscled the BIA, but the real determination has been made by the states.

I do not think anyone seriously believes that if you have a great number of Indian students, regardless of what the percentage is, those Indian students have created the poverty. If that could be believed, it might get New York City out of a tremendous jam because there are more Indian students in New York City than in the Southwest—if we believe New York's poverty is caused by the Indian students.

No one really wants to suggest that it can be divorced from the question of percentage. If they did, I don't know why the percentage should be dropped at 25. Why not 2 percent? If you happen to have 500 students, why not one-half of 1 percent?

The problem, though, is that basic support money by definition, operational money by definition, is noncategorical and is spent throughout the entire school system, so when you begin to talk about development of special or appropriate curriculum, you are no longer talking about operation of a basic support; you are talking about only getting more money for special need supplementary programs.

I also think it is important to make a distinction between non-Indian controlled school districts that happen to have 15 percent Indians and the school districts, say in Arizona, that are 95-100 percent Indian, that have all Indian school boards, that simply have not had cooperation from a state financing system. I think they are two totally different instances. I think it would not be appropriate for a board or a national committee to decide as if it were an arbitrary question which of those two schools was poorer or more deserving.

Mr. **Blouin**. I would like to get back to that. Go ahead, if you want to respond.

Mr. **Wade**. I was going to say my concern was not based on the poverty that Indians might bring to a school district. My concern is about what our commitment is to that Indian child for a quality education. If we decide that that level of education that is provided there is not sufficient, not of that standard that we desire, then we have to do something.

Mr. **Blouin**. Let me put that one question to both of you and then I will yield to Mr. Kildee.

How do you address the argument that Indians are a federal responsibility financially? Do you agree or disagree with that? Maybe that is a basic question that ought to be thrown out first.

Mr. **Wade**. I do not agree that Indians are a responsibility of the Federal Government solely. I think it is a shared relationship, shared responsibility, State and Federal Government.

Mr. **Jones**. I think it is a shared responsibility and I think it is a shared responsibility that is being acted on through a combination of state public school laws in most states and federal education laws that affect Indian students, including impact aid and Johnson-O'Malley.

Interestingly enough, my quarrel with the Bureau has always been that they do not feel enough of a responsibility for Indian students in some respects. That is, when the states, and the states alone, decided where Johnson-O'Malley money would go. In the State of Arizona, until two years ago, a great number of districts that had hundreds of Indian students got no Johnson-O'Malley funding whatsoever. The Bureau never voiced a single complaint about that, and they did not get it because state policy said they would not get it unless they had a tax levy at least equal to the state average.

Districts would say, "We have a nice low tax levy, we could raise it and get a few hundred thousand of Johnson-O'Malley, or we could save more money by keeping our low tax rate."

They simply deprived the Indian students of the Johnson-O'Malley support that was going to the students in the adjoining states.,

Mr. **Wade**. I would agree with that.

Mr. **Blouin**. Assuming it is a shared responsibility, somewhere along the line, you have to make an arbitrary decision as to which half of the pie is whose and then, once that arbitrary percentage is set, what can we do federally to require that a state pick up its share of the obligation.

I think there are some states that are very, very reluctant to contribute educationally across the board their proper share to education of any students, which has a double impact on Indian populations. Obviously that is something that is failing in these programs today.

Mr. **Jones**. There is no state that says in its constitution "We will provide free public education to all citizens except Indians," so if there was no federal money, the states would still be obligated to provide quality education for Indian students almost as they do for everyone else.

Mr. Blouin. On the same level?

Mr. Jones. Right to the same level.

Mr. Blouin. Equally deprived?

Mr. Jones. Equally deprived or equally shoddy or equally grand, or whatever. The states have no right to make a distinction between Indian students and any other students in terms of what they provide in funding, and no state has a law that allows them to do it. When they do it they are simply violating their own constitutions.

Mr. Wade. I think an example of the Bureau's negligence is in those states where they do not receive any federal assistance through this program. My friends in Idaho say: How come it is that all of these states that get basic support already spend more money than we have? We do not get any.

I think in Fort Hall we, the Federal Government, should be concerned about the quality and quantity of education that is provided there and if the State of Idaho and that school district are doing everything they can within the law, is, then I think we have a responsibility to assist them.

Mr. Blouin. I would like to continue on that in a little while. Mr. Kildee.

Mr. Kildee. Mr. Jones, if you were in a position right now to restructure the financing of Indian education with the constraints of either Johnson-O'Malley or 874, what modality, what form of fiscal support would you suggest?

Mr. Jones. During the study we counted seven school districts in the country in which the federal support accounts for more than 50 percent of all the money coming into the school district. They are legally public schools but financially it would be more accurate to call them federal schools. I think that suffering from a sudden attack of humility here, I do not think I should——

Mr. Kildee. We do not have that problem in the Congress very often.

Mr. Jones. I think the people affected should decide and decide it with members of Congress and with federal officials and begin to look at that question and say, theoretically the responsibility was moved to the states but the states have not picked it up in some cases; they are relying too heavily on the Federal Government to pick up the tab. In many cases I think the school districts might want to say, if we are going to have to rely on federal money to function, and we are going to have to be federal schools for fiscal purposes, then we do not want to have the drawbacks of being under the state system.

Maybe it is time to talk about a whole new kind of federal school system that is an alternative to the public school system when the states have not picked up the responsibility. But I think the discussion and the plans for it should come out of schools that are 90 to 100 percent Indian. On the Navajo reservation and in Alaska, for example, and the Papago reservation in Arizona, they are the ones who should decide how that plan might work.

Mr. Kildee. But to the Indians in the various states, we have basic moral obligations to all our citizens to provide education, we have legal obligations. In my own State of Michigan we provide free public education. In addition to that we have some treaty obligations with Indians which we have ignored generally, so we have an additional compelling reason for being involved in Indian education that is the result of some of the treaties the Federal Government made.

I have often wondered if we were to start all over again and set aside Johnson-O'Malley and 874 and say," How do we make sure first of all that every child regardless of ethnic background receives a good education?" We have not done a good job in doing that. But we do have a special obligation to the Indian students because of treaties along with our moral obligations to all citizens.

I would like to think how we would structure our delivery system of education to the Indian students that would be better than what we are doing now under Johnson-O'Malley and 874. I keep soliciting ideas as to how we could structure the fiscal support for that delivery system.

Mr. **Jones**. What I think is absolutely essential is to start out by saying Indians have the same right to public education as any other citizen of the state. If you do not say that, and you allow the dual responsibility to turn into an excuse, then you really have a problem, in effect, built into education, so you have school districts saying, "We are not doing a very good job of educating Indian students but if we had the money, we would."

It may be true that the districts do not have enough money, but I think it is a disaster to accept that argument because if you do, you have let the school district off the hook completely.

If we only had more we would do it right. The wealthiest per-pupil district in the state in New Mexico is 80 percent Indian and it also has the highest dropout rate in the state. There is no direct relationship between the amount of money made available to a school district and quality education, and that does not mean that it is not better to have more money than less. It is time to quote the late Whitney Young, who said, "It is better to say I am rich than I am poor." It does not necessarily affect what is going to happen in delivery of education service, and I think we run into a trap every time when we say they are not doing it but certainly if they had the money they would do it.

The federal responsibility seems to me to be a supplementary one, and if suddenly there were a freeze on all federal money I still would expect states to do a good job of educating students. I do not think Johnson-O'Malley should be a public school entitlement, by the way, and the present regulations do not make it one, that is, Indian contractors or anyone else, can spend the money outside of public schools if they wish to, and I approve very strongly of that.

Public schools were never been mentioned in the Johnson-O'Malley legislation. It simply said the Bureau could contract with states for delivering educational services for Indian students. It did not say it had to be in public schools. I think the present regulations reflect that.

Mr. **Wade**. On the delivery system, I believe Indians as citizens of the country should be entitled to everything else that the entire country is entitled to under those same kinds of considerations in

874, but if we agree that what they get in that system is not sufficient, then we come over and we do something more, and I have outlined a system that I think guarantees or insures better accountability than what has happened in the past and some guarantees that what happens in that school district is a result of the wishes of the Indian people in that community.

Mr. **Kildee**. That is all.

Mr. **Blouin**. One quick followup. Do I get the impression that when you talk about quality of education you are talking about the same amount of dollars per pupil?

Mr. **Wade**. No.

Mr. **Blouin**. I would hope that would not become the implication of it.

Mr. **Wade**. No.

Mr. **Blouin**. I think we have to assume it costs more, especially on the reservation or in a peripheral setting, to educate an Indian child and that that difference should automatically be the federal responsibility 100 percent. I would like to get your response to that if you do not agree. The cost share would be the per-pupil difference.

Mr. **Jones**. There have been proposed education bills that have said all teachers of Indian students should be paid a salary at least equal to the state average. That kind of worries me. That was an attempt, I think, to tie together questions of quantity and quality. It really encourages the idea that people will educate Indian students for a price. There is kind of a bounty-hunting process going on in which the bounty people are rewarded without having to, in fact, bring back anybody.

My own experience is that it has been better to have more money than less, at least more fun. I prefer it myself and I understand why school districts do, but I do not think that that should mean that there is a direct relationship between the amount of money available and the quality. I think if you have lousy overpaid teachers, they do not do any better job than lousy underpaid teachers.

Mr. **Blouin**. I would agree with that, but I think your per-pupil costs for Indian education are generally higher because of all sorts of purposes involved, transportation costs and boarding-school problems.

Mr. **Wade**. One of my major concerns with the present regulations, it talks about a minimum standard, the school district has to meet minimum state standards. My concern is that minimum state standards are not the goal of the Federal Government for Indian children, that I would hope we have something higher in mind for these kids.

Mr. **Blouin**. I would like to get back to that question about what, in fact, is the goal because the BIA is never quite sure.

Mr. **Jones**. Minimum federal standards.

Mr. **Wade**. I would like to have help in establishing a standard.

Mr. **Blouin**. Mr. LeFante.

Mr. **LeFante**. Mr. Wade, you said if Johnson-O'Malley basic funds are phased out it will force parents to make a choice. Would you elaborate on that?

Mr. **Wade**. The present regulations say that the dollars set aside for basic operation to support the basic programs will no longer be available after FY '78, but the regulations do allow that parent committee to use their supplemental program funds for basic operation if they desire. I say that is unfortunate, that they have to make a choice between supplemental programs and the basic programs, that the basic program is something that we should be concerned about and support.

Mr. **LeFante**. The parent committee would make that decision?

Mr. **Wade**. Under the present regulations that would be their choice; either put their money into a basic program and insure quality basic program and have no supplemental program, or worry about the basic program and have supplemental programs. That is the present choice under the present regulations. I say that is unfortunate; that we should not force them to make that choice, that the Federal Government should insure a quality basic program so they can use their supplemental program funds for supplemental programs.

Mr. **LeFante**. Where do the funds for the supplemental program come from under the present regulations?

Mr. **Wade**. By way of a formula, basically a weighted per capita distribution formula. It amounts to about $150 nationwide per student.

Mr. **LeFante**. That is the average?

Mr. **Wade**. Yes.

Mr. **Kildee**. Any further questions?

Mr. Quie.

Mr. **Quie**. I am sorry I am late.

To what extent has the committee pursued the idea of providing the grant of money in basic support in the public schools? I assume we are dealing with Indian education in the public schools.

Mr. **Kildee**. That is correct.

Mr. **Quie**. After listening to the problems of Indian education along the way, I come to the conclusion that under 874 we ought to provide for all Indians on reservations who are attending public school the basic support which is the equivalent of the local and state expenditure for elementary and secondary education. The way it is now, they are supposed to take care of the local in lieu of taxes share of education. That would be the basic support and then Johnson-O'Malley would be used only for supplemental support over and above that. 874 is inadequate in many areas to take care of that total basic support, meaning the share of elementary and secondary education, that is average expenditure that would be attributed to the Indian children, and so in many cases you have to take basic support out of Johnson-O'Malley.

How would you react?

Mr. **Jones**. I think basic support is not a simple question; I think it should be handled through 874. 874 regulations have allowed districts to develop different kinds of formulas. I think the people in the State of Montana have really made excellent use of PL-874 funds and, as a result, they have no basic support districts.

I have a friend from a Montana district—and I would not want to say in front of them that is because they have all the money they need—but I think that there is a direct relationship to the difference between the way that they have used the 874 law in Montana and the way they have used it in Arizona and South Dakota. I think if in fact there is not enough federal compensation for tax loss or for federal impact, that it should come from Public Law 874.

Mr. **Wade**. I see the proposal as measuring some, in a tangible way, the Federal Government's responsibiity for the education of Indian children, and my concern would be that we for sure build in some mechanism to ensure that that, in fact, buy quality that we would want for Indian children, and there is some sign of provisions within 874 now, and I would make sure that those are followed and monitored.

I would have no problem with this problem being an 874 concern as opposed to Bureau of Indian Affairs.

Mr. **Quie**. That is a step further of the sign-off now in Johnson-O'Malley where we require a current advisory committee exist in order to give some direction to the program in the best interest of the Indians. It seems to me along with this assumption of basic support we should also provide for at least a parent advisory committee on 874.

When you say sign-off, you are really talking about carrying it a step further than the advisory committee, because they don't have sign-off authority then.

Mr. **Wade**. I would also be concerned that as Myron has said, dollars don't necessarily ensure quality programs. I would want to make sure that what we are buying is, in fact, quality, and that we are not just contributing to mediocrity.

Mr. **Quie** How do you ensure that?

Mr. **Wade**. I have talked about a different kind of program in which human beings make a decision about each individual school, and that they make a decision as opposed to a formula making a decision.

Mr. **Quie**. Do you think that either the State or the local school districts have a responsibility of taking taxpayers' money to pay for the basic support for Indian children from reservations, or do you think that that ought to be entirely borne by the Federal Government, because the Indians don't pay sales tax, income tax or property tax?

Mr. **Wade**. I was going to say that implies Indians don't pay those taxes, and Indians do pay all of the taxes they are legally responsible for, except for that property tax on the Trust property.

Mr. **Quie** Are you sure?

Mr. **Wade** Yes.

Mr. **Quie**. There was a court decision last year that said they didn't have to pay sales taxes or income taxes.

Mr. **Wade**. If they are off the Reservation they pay the sales tax, yes.

Mr. **Quie**. Off the Reservation. I am just talking about on the Reservation.

Mr. **Wade**. If the enterprise is Indian connected, but most businesses on reservations are not.

I think the Indians are citizens of the states and as a result we don't deny services to anybody else because they don't happen to pay taxes.

Mr. QUIE. But the Supreme Court didn't say to anybody else they don't have to pay taxes.

Mr. WADE. Right; but I am saying as citizens of a state they are still entitled to all of the benefits of a state, and I wouldn't want to single them out and say supposedly this tax money is just for the education of non-Indian kids and the Federal Government is responsible for education of Indian children. It's still a shared responsibility.

Mr. QUIE. How do you divide that because of 874, we assume that the Federal Government has a substantial responsibility. How would you determine what is the Federal, what is the state and what is the local government responsibility?

Mr. WADE. You have been quiet Myron.

Mr. JONES. I didn't know he was asking me.

I think the State has exactly the same responsibilities to Indian students that it has to all others, anyone within the public school system and no discrimination financial or otherwise should be made in terms of providing educational services. I think the question of who finances school systems and the taxpayer question is a very interesting one, because we all tend to talk as if property taxes are the main sources of income for school districts, but they rarely are anymore. They are far more significant in South Dakota than they are in any of the other large Indian States.

I said this before, that even if the Indian paid no property tax and impact aid were miraculously repealed, though I can't imagine that happening, I think that still equal educational services should be provided for Indians. I have a different view of who the taxpayers are. I think that when I was a tenant, a rent payer, I believed for years that I wasn't a taxpayer and that the landlord was, and then one day it occurred to me that no landlord had ever come to me and said, "I am getting a tax increase this year, Myron, but I am going to take it on myself; your rent will stay the same."

It's the tenants of the country who pay property taxes, and yet no one has ever seriously proposed that landlords's children be deprived educational services because they don't pay the taxes but pass it on to the tenants, and I think the same standard should apply to Indians.

Mr. KILDEE. I might add in the State of Michigan we generally recognize the fact that the tenant does pay property taxes, and we have a property tax rebate system for tenants. However, not all States may be as enlightened as Michigan.

Mr. LE FANTE. New Jersey does it too, Mr. Chairman.

Mr. QUIE. That is a good argument with tenants, but it doesn't fit with Indians on Reservations; does it?

Mr. JONES. I think it does, in the sense that if the landlord passes the taxes on to the tenant and the property taxes are not borne by the landlord, no one suggests that, therefore, the landlord is not entitled to educational services. The fact someone does not pay property taxes should not exclude him.

Mr. QUIE. All of the tenants do pay the property taxes. The landlord doesn't pay it.

Mr. JONES. Right.

Mr. QUIE. They pay it. So they actually are making the payments on that property. Nobody pays any property taxes to Reservation land.

Mr. WADE. Your 874 is in lieu of that.

Mr. JONES. That isn't true that way, because for example, in the Bloomfield school district of New Mexico the district is 20 percent Navajo. Before State equalization, 65 percent of the property taxes in that school district came from improvements on the Navajo Reservation. So there are a number of Indian districts where the property tax money available is very high.

That is one of the things that has——

Mr. QUIE. From the Reservations?

Mr. JONES. That's right, improvements are taxable and in the Four Corners Region of New Mexico, they are the most significant taxable property. When they say taxpayers in the Four Corners area, that is a euphemism for utility and gas companies.

Mr. WADE. I remember a conversation I had with a former Tribal Chairman at Rosebud, when we were talking about the issue of taxes and about the basic support payments going to the county. He was very concerned about his taxes because he ran a store in Rosebud and was very concerned about his property tax, and he was the Tribal Chairman. This was in the heart of the Reservation.

Mr. QUIE. He was running a store?

Mr. WADE. He ran a store, he owned a store.

Mr. QUIE. So all commercial ventures are you saying on a Reservation are being property taxed?

Mr. JONES. Right, non-Indian owned.

Mr. WADE. Even some Indian owned.

Mr. QUIE. No, I recognize non-Indian owned are, but Indian owned——

Mr. WADE. Even some Indian owned.

Mr. QUIE. Then I think we ought to look at that and find out the amount of taxes that Indians do pay in this regard, because this is the first time anybody told me that ever did exist. I recognize they pay taxes on everything off the Reservation, or they should, and I think that is the responsibility of the State and local government, but I would like to find out to what extent they actually don't participate in the State or local government's activities, and therefore, they can get it.

I don't care if it's poor or not. There are a lot of poor people, because they pay a very little amount of tax and are just treated with everybody else, but it seems to me a Reservation is different in that they have treaty agreements with the United States Government, and, in fact, are a nation themselves, and to the extent we don't raise any taxes from or prohibit the State and local governments to raise any taxes from them, then we ought to furnish that amount from the Federal Government.

Mr. WADE. I would caution against removing the State from any responsibility for the education or for the services to Indian people. As citizens of the State they are entitled.

Mr. QUIE. It depends on what you mean by responsibility.

Mr. WADE. Financial.

Mr. QUIE. Do you think it ought to be greater than the extent to which they are able to secure revenue from the Indian?

Mr. WADE. As it relates to revenue from the Indian, I think they should treat them the same as they treat all other citizens in the delivery of their services.

Mr. QUIE. Suppose they don't pay income taxes on the Reservation, not because of their income but no matter how much they earn they wouldn't have to pay taxes. Then wouldn't you say that would still be true?

Mr. WADE. Yes. I think it would be dangerous for us to try to set Indians apart as citizens of a state, and not require a state to treat them equally in the delivery of services.

Mr. QUIE. That is different with delivery of services. It's a question of whether the Federal Government then ought to reimburse them or not. I totally agree with you on delivery of services; it's a question of whether the Federal Government has a responsibility to pay for those services that represent the Indian.

Mr. WADE. That is a good question. I am not sure whether the Federal Government should.

Mr. JONES. I would like to raise a question in that I see a parallel situation between reservations and lack of ad volarem taxes and military installations and lack of ad valorem taxes. I cannot imagine a school district that gets impact aid because of lack of property taxes going to the Department of Defense and saying unless you give us an extra $500,000 we are not going to be able to educate your kids. We find that impact aid doesn't give us enough money.

Mr. QUIE. They are saying that to us all of the time with all of those impact aid school superintendents coming in here.

Mr. JONES. They don't say it to the Department of Defense.

Mr. QUIE. No; no, but to the Congress.

Mr. JONES. The real parallel would be we are not getting enough through impact aid; therefore, we will get it through the Department of Defense, because the Bureau of Indian Affairs in this case plays a role that does parallel that of the Department of Defense. There is impact aid. I think this supports your original contention: impact aid is there because there is property that cannot be taxed, and impact aid was meant to take care of that question.

Mr. QUIE. As far as the Department of Defense and the people who work on or aid students working on or living on the Federal installations, those individuals pay a State income tax someplace.

Mr. JONES. Not in Texas; there is no state income tax.

Mr. QUIE. Except for those few states that don't have an income tax, but the ones who are residents of Minnesota then have the highest income tax of any State in the Union, and, therefore, they send it to Minnesota.

It just happens that the way it works is we don't have those military installations in Minnesota, so we don't get much of it back from people who live there.

On the Reservation, there is no same requirement, as I understand it, of paying an income tax.

Mr. JONES. A State income tax, yes.

Mr. QUIE. That makes the situation different and it seems to me then we have a responsibility in the Federal Government to make payments for that State expenditure.

Mr. **Jones**. I have never heard anyone argue against a Federal responsibility as it relates to impact aid, at least some Federal responsibility for property taxes.

Mr. **Wade**. Yes, and again, the bottom line is, are we willing to accept State minimum standards as standards that we want Indian children to be subjected to. We should be willing to work with anybody that would want to establish a standard and let's measure schools against that standard.

If they don't measure up for some reason or because of no fault of their own, I say we assist them to develop the quality programs we want for Indian children.

Mr. **Quie**. You are saying that all of the schools should at least meet minimum state standards; is that what you are saying?

Mr. **Wade**. I think by state law they have to in order to function.

Mr. **Jones**. They do, except it's not enforced in some States.

Mr. **Wade**. One interesting thing that has been lost in most of the Johnson-O'Malley activity is that the original Johnson-O'Malley Act talks about—and it's just the contracting authority—it says, "The Secretary of Interior is hereby authorized to perform any and all acts and make such rules and regulations including minimum standards of service as may be necessary and proper for the purposes of carrying out the provision of this act, provided that such minimum standards of service cannot be less than the highest maintained by the States or territories in which such contracts are implemented."

That has been lost, I think, since the day it was written. We have never talked about the highest standard in those States being ensured by these contracts. We are at the other end, talking about minimum standards, and I think we have an obligation to talk about something better than minimum.

Mr. **Quie**. It seems to me the minimum standards ought to be provided and Johnson-O'Malley would be above that. You have to, to use any of Johnson-O'Malley, get them up to minimum.

Mr. **Wade** That is right.

Mr. **Jones**. I think there is a language problem. The implication is minimum standards of States means something. In most States they are not enforced at all, but there the problem is minimum standards and maximum standards are identical. No State has such a thing as maximum standards. The State, when the State provides enough money and endorses this, says "Here are some things you have to do." The highest quality provided means nothing.

I think the Bureau has a real problem. I am happy for Mr. Wade's pretending at the moment the Bureau can effect State policy. It cannot. The Bureau couldn't give basic support money to a school district in New Mexico because there is an equalization formula, and the State would immediately take credit for every nickel as a part of its distribution formula.

You could not force into the pocket of a school district, even the back pocket, basic support Johnson-O'Malley money if their State financial plan didn't allow them to do it. The Bureau doesn't have the clout to tell States what to do in their educational policy; they never have, and they are no closer now than they were 40 years ago.

Mr. **Kildee**. Downstairs the full committee needs our presence, at least temporarily for a quorum, so I will ask the staff to submit to Mr. Jones and Mr. Wade more questions in writing, and if you could reply to these questions they will be made a part of the record.

I think we will recess for about five minutes and probably upon return ask for Mr. Leonard and Dr. Ross to testify before the committee.

We will recess for approximately 5 minutes.

[A short recess was taken.]

Mr. **Kildee**. Thank you for your patience.

The full committee was meeting downstairs and we had to go down and establish our presence there, but we should be uninterrupted now.

We have testifying now Mr. Terrance Leonard, Director of Indian Education, Arizona Department of Education, and with him is Dr. Kenneth Ross, Superintendent of Window Rock Schools, Window Rock, Arizona.

Without objection, we will have Mr. Leonard lead off, unless you prefer otherwise.

STATEMENT OF TERRANCE LEONARD, DIRECTOR OF INDIAN EDUCATION, ARIZONA DEPARTMENT OF EDUCATION, ACCOMPANIED BY DR. KENNETH ROSS, SUPERINTENDENT, WINDOW ROCK SCHOOLS, WINDOW ROCK, ARIZ.

Mr. **Leonard**. Thank you.

Mr. **Kildee**. If you can summarize your testimony, that will give us more time to try to answer some questions and enlighten ourselves.

Mr. **Leonard**. Mr. Chairman, our testimony begins with the background of the educational programs for the State of Arizona relative to the Johnson-O'Malley program and State aid. Throughout the testimony we also have examples on how State aid is calculated for reservation school districts.

Also in our testimony we have a provision of history of Johnson-O'Malley, the State plan beginning with the first contract in 1939, plus an overview of reservation school districts and some of the factors that apply to these districts such as isolation factors, transportation factors and other things that affect the expenditure budget of the school districts wherein it places the districts in a very financial bind in terms of a budget for the adopted school year.

Another part of our testimony, Mr. Chairman, is the explanation of general education and funding, state aid funding for the State of Arizona in terms of the state supported classroom and the formulas thereof.

Also in our testimony we have a summary of programs that affect Indian education or Indian children. These are Public Law 815, the Title IV Public Law 92-318, and of course, Public Law 93-638, and the Johnson-O'Malley program.

The conclusion of our testimony, Mr. Chairman, cites various studies and progams which recognize the financial difficulties that reservation school districts in the State of Arizona are experiencing, and also recommendations by a similar statutory commission, the

American Indian Policy Review Commission, on their recommendations to provide additional funding to those school districts based on the absence of need when they have financial problems.

We also cite several tribal resolutions from the State of Arizona for those problems affected by such Reservation school districts, requesting that the Department of Education seek through the Bureau of Indian Affairs additional funding for the area of operational support.

In support of the following testimony, Mr. Chairman, we have also submitted as just informational documents a study of selected public school districts on and off Indian Reservations in Arizona; also, the 1976–77 Arizona Johnson-O'Malley State plan and the 1978 Johnson-O'Malley State plan and proposed operational guidelines, general education funding, and programs affecting Indians in the State of Arizona.

In summary, Mr. Chairman, those are the areas we have covered.

Mr. KILDEE. All right.

Thank you, Mr. Leonard.

Dr. Ross, if you would?

Dr. Ross Thank you, Mr. Chairman.

My testimony primarily is rooted from experience gained in three different States working in the area of Johnson-O'Malley, as the past State director of Indian Education in the State of South Dakota, an educational specialist with the Minnesota State Department of Indians, currently as the school superintendent. I have come to the conclusion that there is a need for retention of a sound basic educational foundation, and part of that foundation has traditionally been Johnson-O'Malley basic suport.

In the testimony that I have submitted, I have equated the different formulas and State aid programs, methods of taxation. Because of the wide divergence in all of the States that are affected, it appears highly impractical at this point, at least from my perspective as a school administrator, and one knowledgeable in school finance, that a national formula, if that formula did not include special elements within it that addressed inequities that are currently existing can, in the divergent State programs.

For example, the State of Arizona assess at 50 percent true value. There is no maximum tax levy that is required. In another regulation or in the regulations on Johnson-O'Malley, the regulations indicate that a state or local education agency to be qualified for consideration should, in fact, expend all available resources, in essence meaning that theoretically a local school district would have to proceed to tax taxpayers out of existence in order to qualify for consideration.

I took the example of our school district in which we have 250,000-plus acres of total land base and a little over 249,000 of that which is tax exempt, leaving six-tenths of one percent of total acreage in the school district that is taxable, and to support the education of some 3,000 plus students we have 49 taxpayers. Of those 49, 63 percent of those taxpayers being utility companies paying 96 percent of all of the taxes that are collected.

As a result of the changes in the regulations, schools such as Window Rock are forced to draw on whatever resources that come to mind in the inept minds of some of us administrators, and the only resources that we find are two, taking exception to some of the existing laws that are on the books in Arizona, which we find inequitable, and attempting to work with our State Legislature in trying to change those laws, with very minimal, if any, results.

In addition to that, then, providing educational finance training for taxpayers. It hasn't been up until just this last year or so that the impact of increasing taxes has shown markedly on the major taxpayers, and because of the reduction of Johnson-O'Malley basic support, several districts saw a marked rise in the local tax rates. A noted example of this being was in the Chinle School District a year ago where their taxes were something like 54 per $100 valuation on a 50 percent assessment, so theoretically a taxpayer in a matter of 40 or 50 years would pay for everything they own over again. As a result, the taxpayers filed suit with the State and Federal Government and both courts, in fact, said that those kinds of tax rates, even though the State of Arizona does not have a maximum limitation on their levies, is confiscatory and by court order the school district was required to reduce its budget down to $8 per $100 valuation.

If, on the other hand, legislatively we are not receiving just compensation via 874-Johnson-O'Malley, and through the State foundation, then coupled with that, as well as the judicial decision coming out from the courts, I really don't know what recourse schools has.

It is my estimation that the tax suit that was filed was directed at the wrong people, because a school superintendnet and as a board of education, we are mandated to follow the letter of State law, and that is precisely what we have done in the past, and in the particular case, Chinle.

As a result of that, then, the judge in his decision indicated that even though we can theoretically tax to a no top ceiling, that there has to be established some line of demarcation that says taxes are, in fact, confiscatory, what is reasonable and just in terms of asking local taxpayers to shoulder the burden?

In addition to that, I very briefly outlined another main concern that I have, and that is one in which in order to provide quality, equal educational opportunities, not only do programs have to be there, but the buildings in which those children are to be educated need to be there, and we have experienced in the past, because of limited appropriations in 815, and because of some of the guidelines under 815, very limited resources with which to construct new facilities for an ever increasing population.

Briefly summarizing the points I have laid out in terms of this committee's consideration, I would like to again state that, at least in my professional opinion, there is a need for basic support under the Johnson-O'Malley authority, that it be retained at the present time under the funding level of 1975–76 at $3.9 million, and that until new legislation or regulation changes can be made that funding level be held and possibly adjusted with inflationary addons.

One of the things that is hampering that operation is if Congress in its omnipotent wisdom saw fit to restore the $3.9 million, there are regulations which prohibit the Bureau of Indian Affairs from spending that additional add-on at the present time.

I also have shared some thoughts with various people across the country and concur with the testimony that as submitted by John Wade in that one, and there is, at least in my mind, a need for a human element within the determination process for identifying what are the true needs of a particular school district, but I also think it needs to take into consideration the abilities of States and the methodologies by which those States meet their educational commitment to all of the children in those States and so I advocate that something other than a formula be employed in meeting this commitment.

I also look at the accountability and the standard aspect of it, because we came into the situation this year where because the Johnson-O'Malley regulations require school districts to meet standards or minimum State standards, it behooved us because we could not find a document in the State of Arizona that specifically said these are the State minimum standards, and so after digging through a number of State board meetings and State legislative laws, we prepared a comprehensive text from all of the discussion that had precipitated to date, and submitted that as minimum standards, because one of the things was that in the regulations, a school district had to meet some sort of minimum State standard to quality for the money, and so we received a memorandum from the Commissioner of Indian Affairs stating that they would accept the standards as submitted.

I also share some of the concerns that were expressed earlier, in that minimum standards are not the kind of standards that I feel we need to be shooting for in terms of maximizing educational opportunities for Indian children.

Our school board has adopted in addition to the Arizona minimal standards North Central Standards K-12, and as of this date we are one of the few schools operating on or near an Indian Reservation in the State of Arizona that is accredited K through 12 by North Central. That brings up another problem; now that we have met those standards, will, in fact, Johnson-O'Malley basic support be denied? My contention is that it should not be, because if we reduced the total income to the school district by taking out the Johnson-O'Malley assistance, we would certainly lose our accreditation in rapid fashion.

I also concur that there should be involved in that a process of establishing a mechanism for retaining basic support eligibility standards for the kinds of schools that would be involved in the consideration for assistance, and I would tend to support the kind of conditions that have already been stipulated in 93-638.

However, I have one problem, and that is it is my opinion, as a school administrator, that to fractionate a basic educational program by creating divergent administrator helps to control the funds for a common program, you are creating problems in itself.

Mr. Quie. Would you explain that, please?

Dr. Ross. To state it another way, if, for example, Johnson-O'Malley assistance is allowed to flow through on a contract, administrative contract basis, if the Tribe, for example, contracted for the administration of those funds, if an Indian education committee within the school district had the veto power over a completely 100 percent elected Indian school board, then you run into inherent problems because you have two administrative policy bodies that are effecting a common program.

It would be my contention that, or my position, should basic support under the Johnson-O'Malley authority be reincarnated other than from the phase-out program it is now undergoing, that that program be a direct grant to the local education agency, with no contract authority or no administrative cost allowances.

In the area of facility needs, I would also support the contention that a certain portion of that direct grant for operation and support be directed to maintaining and improving facilities to house these Indian children.

With that, I would like to thank you for allowing me this time to submit my testimony.

[The prepared statements of Mr. Leonard and Dr. Ross follow:]

1978

ARIZONA

Johnson-O'Malley State Educational Plan

Prepared by

Arizona Indian Education Association
State of Arizona

and the

Arizona Department of Education
Division of Indian Education
1535 West Jefferson Street
Phoenix, Arizona 85007

Carolyn Warner, Superintendent

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PURPOSE

A. The philosophy of Indian Education in the State of Arizona for the intent and purposes of the 1977-1978 Arizona Johnson-O'Malley State Educational Plan and such other programs or services created for the benefit of Indian children shall be the assurance of quantity and quality educational opportunities of all Indian children and to maintain the cultural integrity of Indian tribes through the maximization of parental, tribal, and teacher involvement in the development of said opportunities for Indian youth.

B. To provide a comprehensive educational plan for the 1977-1978 school year to assure programmatic and fiscal accountability in (1) supplemental programs and special services, (2) parental participation, (3) operational expenditures, and (4) administrative management to meet the specialized and unique educational needs of Indian youth.

C. To prescribe the procedures by which contract funds may be programmed to eligible public school districts participating in the Johnson-O'Malley Program and educating eligible Indian children, or, to one or more Arizona Indian tribes under the provisions of the Intergovernmental Agreement, or Indian corporations pursuant to P.L.93-638.

D. To provide and foster the intent of the Congress of the United States pursuant to the Indian Self-Determination and Education Assistance Act of 1975, P.L.93-638:

> "The Congress declares that a major national goal of the United States is to provide the quantity and quality of educational services and opportunities which will permit Indian children to complete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being."

E. To provide educational benefits for Indian youth in support of the state educational requirements, or such other educational programs and services required by federal or state laws, and to provide training and employment opportunities for Indian youth and the affected Indian communities.

GOALS

A. To increase academic and cultural knowledge of Indian youth through the development of supplementary programs based upon local assessments and goals.

B. To increase student self-awareness in educational programs and services available or planned through special interest projects created under this Plan.

C. To increase parental participation within the local education agency through the programs created under this Plan and such other services made available in the Arizona Department of Education.

D. To reduce the percentum of Indian youth dropouts from public schools through the specialized programs created under this Plan.

E. To develop proficiency of Indian youth in the language and communications skills.

POLICIES

A. The provisions of the 1977-1978 Arizona Johnson-O'Malley State Educational Plan shall be executed in accordance with (1) state laws applicable to the education of all children, (2) secretarial policies, and (3) bona fide contracts pursuant to P.L.93-638. The distribution of contract funds will be made in support of the programs and services of this Plan to eligible applicants pursuant to 25 CFR 273.11 and ARS 11-951.

B. All commitments and distributions of contract funds under this Plan are subject to funds being made available to the Bureau of Indian Affairs and shall be expended for the benefit of eligible Indian children as approved on a project basis with separate fiscal accountability. It shall be required that the approved expenditures of the Indian Education Committees in the performance of their duties under this Plan shall be for the benefit of eligible Indian children. All applicants shall submit an application or resolution to participate in the Johnson-O'Malley Program as provided by this Plan and subject to available funds for supplementary or operational programs.

C. Appropriations authorized under Johnson-O'Malley Act of 1934, as amended, shall supplement, not supplant, state and local funds; use of said funds shall not result in a decrease of state, local, or federal funds, and that such other sources must be used to provide comparable services to non-Indian and Indian students prior to the use of Johnson-O'Malley funds; in no instance shall these funds be used as payment for capital outlay or debt retirement expenses (except where such capital costs are allowable for such equipment necessary for implementation of the project and/or approved by the Phoenix Area Office, contracting office, or its authorized representative).

D. Each applicant shall prepare, maintain, and certify the eligible Indian student enrollment to be served. A copy of such certification, together with the names, tribal affiliation, age, and grade level of the individual students shall be maintained at the local district or tribal office. A letter of certification of the total eligible Indian enrollment at the close of the second school month shall be submitted to the Division of Indian Education.

E. Funds will be distributed based on the estimated eligible Indian student enrollment to be served and may be subject to such provisions for adjustment of funds to the actual number of children being served in the last quarter of the school year.

F. In the absence of federal regulations, the State Board of Education shall determine the purpose and methods of expenditure and shall be the chief educational authority for the administration and supervision of the expenditure of federal appropriations.

G. This Plan may be amended by the mutual consent and approval of the signed parties as a result of changes in either state or federal law or regulations applicable to P.L.73-167 and financial aid for public instruction. Any program or project under this Plan may be revised or amended as deemed necessary to carry out the purposes of the program or project. However, no program approved by the Indian Education Committee shall be altered from the time of its original approval to the end of the contract period without the written approval of the Committee.

H. Arizona Indian tribes and Indian corporations within the administrative jurisdiction of the Phoenix Area Office, Bureau of Indian Affairs, may participate and receive assistance or services under the provisions of this Plan pursuant to the Intergovernmental Agreement for educational purposes consistent with requirements of CFR Part 273 and 41 CFR Part 1.

I. All supplementary programs or projects and applicable sub-contracts or Intergovernmental Agreements shall provide an opportunity and consideration for the employment and training of members of the affected Indian community. This provision may be waived by the local Indian Education Committee, provided that all programs or projects authorized under this Plan shall utilize the best available talents and resources from the Indian communities; said waiver shall be recorded in the official minutes of the affected committee(s).

J. Unused funds for operational or supplemental programs/projects may be carried forward to the succeeding fiscal year's program, or as a credit to the subsequent year's program as approved by the Division of Indian Education and upon the written request of the Indian Education Committee; however, all funds not expended, obligated, or used for the purposes of this Plan, or, unlawfully expended shall be returned to the Division of Indian Education.

K. Budgets for operational and supplementary programs/projects may be adjusted within the contract period to an amount which will be not more than 10 percent of an increase or decrease within a line item. Adjustments in excess of 10 percent shall be first approved by the Indian Education Committee and the Division of Indian Education.

L. All supplementary programs shall require the establishment of a local Indian Education Committee composed of parents of Indian children being served, where applicable, Indian high school students, and exercise all authorities granted thereto by the Indian Self-Determination and Education Assistance Act P.L.93-638. Said

Committee shall be nominated or selected, and served by procedures determined by the Indian community affected or as delineated in the constitution and bylaws of each committee. All proposals shall require the maximum and continuing parental participation in the planning, development, approval or disapproval, and implementation of all programs established under this Plan. All amendments to programs pursuant to this Plan shall require the prior approval of the appropriate Indian Education Committee.

M. Where a local school board is NOT COMPOSED of a majority of Indian people, the parents of Indian children enrolled shall establish a local Indian Education Committee from their members and shall have such authorities granted thereto by 25 CFR Part 273.16 and in further compliance with such federal, state, and local laws or regulations applicable to federal assistance for educational purposes.

N. Whenever a local Indian Committee or Committees established pursuant to Section 305 of the Act of June 23, 1972 (Title IV P.L.92-318) or an Indian Advisory School Board(s) established pursuant to P.L.93-638, January 4, 1975, exists in such school district, or Indian community, such committee or board may, in the discretion of the affected district or tribal governing body or bodies, be utilized as the Indian Education Committee.

O. For purposes of this Plan, where the elected public school boards of trustees are composed of a MAJORITY of Indian people, said board may serve as the local Indian Education Committee, provided that such shall not limit the continuing participation of parents of Indian children being served and members of the Indian Committee affected. In such instances, the elected public school board of trustees shall establish a subcommittee for supplementary programs to be composed of parents of children being served, and exercise such duties and functions consistent with the recipient agency.

P. Where funds are distributed to a public school district, Arizona Indian Tribe (pursuant to an Intergovernmental Agreement,) or, to an Indian corporation pursuant to this Plan, the establishment of an Indian Education Committee shall be required and consistent with such administrative/fiscal policies and procedures determined by the tribal governing body or bodies. The affected public school board of trustees or governing bodies shall not delegate away their authority as the prime applicant in receipt and fiscal disposition of federal appropriations for educational purposes.

Q. Whenever an Indian Education Committee, established under the provisions of this Plan is confronted by an impasse on program negotiation or implementation or is constrained in the exercise of its duties, the Division of Indian Education and the duly authorized representative of the Secretary of Interior may be requested to mediate such proceedings and shall offer recommendations in the best interest of the students being served.

R. The Indian Education Committee(s) may recommend to the Commissioner of Indian Affairs and/or the State Board of Education through the appropriate Bureau contracting officer's representative cancellation or suspension of a contract(s) or project(s) which contains the program(s) approved by the Indian Education Committee if the applicant fails to permit such Committee to exercise its powers and duties as specified by 25 CFR Part 273.16. Where funds are distributed to Arizona Indian tribes of Indian corporations pursuant to this Plan, such recommendations may be made through appropriate governing body or bodies.

S. Each Indian Education Committee established under this Plan may establish an executive panel from its members, as needed, to hear grievances, comments, recommendations, or such other presentations in relationship to the program or services created under this Plan, or as delineated in each committee's constitution and bylaws for such purposes. Said panel may conduct its hearings in executive sessions, provided, that adequate advance notice is presented to the affected parties.

T. Indian Education Committees shall establish criteria and procedures for interviewing applicants for applicable position(s) created under the provisions of this Plan, provided, that any recommendations for employment shall be consistent with the recipient agency (applicant) and that the basis of qualifications for any position should be established in the position description pursuant to the degree of professional requirement and program need.

U. All school districts receiving funds under this Plan may provide members of the Indian Education Committee access to non-confidential records concerning students served by the Johnson-O'Malley program, provided, that written approvals shall be given by the parents or guardians of students being served in compliance with the Freedom of Information, Invasion of Personal Privacy Acts, and Protection of the Rights and Privacy of Parents and Students (5 USC 552 P.L.93-502, 88 STAT.1561; P.L.93-380, 88 STAT.574).

PROGRAMS AND SERVICES

A. SUPPLEMENTAL

1. Supplementary programs or projects are those which shall be designed to meet the special and unique educational needs of eligible Indian children, from 3 years old through grades 12, and to create and enhance educational opportunities as provided by this Plan in compliance with applicable federal, state, and local laws and regulations, or, such other programs or projects designed to increase proficiency in an educational standard or requirement. Funds for supplemental programs shall be expended by line item for lawful purposes authorized by the Indian Education Committee(s) and may be used to supplement other educational programs, provided, that such shall neither supplant nor be used proportionally unless approved by the Division of Indian Education upon the written request of the Indian Education Committee.

2. Supplementary funds may be awarded to an eligible applicant in the following manner, further subject to available funds:

   i. based entirely on the approved supplemental program or project submitted by an applicant and designed to meet the special needs of all or a portion of the eligible Indian student enrollment; or,

ii. per capita payments based on the product obtained from the division of the total available funds by the number of eligible Indian students enrolled at the close of the second school month times the factor for elementary and high school students or such other factors as are mutually determined by the signing parties.

3. To receive fundings, a supplementary program or project proposal shall establish the following:

    a. Eligible Indian Students
    b. Indian Education Committee (assurances)
    c. Budget (line items)
    d. Needs Assessment
    e. Goals
    f. Objectives
    g. Activities
    h. Evaluation
    i. Monitoring System
    j. Calendar of Events
    k. Dissemination
    l. IEC Constitution and Bylaws

4. Supplementary program/project expenditures may include the following: (a) personal salaries, fringe benefits, bus drivers, and specialists; (b) transportation (field trips) for out of classroom activities for cultural enrichment or special events; (c) Indian cultural or heritage studies; (d) Indian Education Committee expenses in performance of duties; (e) conference, workshop, and seminar fees incurred by Indian students, the Indian Education Committee, or program personnel; (f) special services or equipment for physically handicapped and mentally retarded children; (g) text or reference books necessitated by the programs or projects; (h) training costs by the Indian Education Committee or program personnel; (i) consultant fees necessitated by the program or project which benefits shall result in proficiency or effectiveness of goals and objectives; (j) equipment and supplies directly related to the program or project to benefit eligible Indian students being served; i.e., band instruments, arts and crafts items, etc; (k) summer school or special interest summer programs (educationally measurable) or summer work/study programs; (l) rental or lease of equipment necessary to implement project; (m) parental costs.

5. Parental costs shall be expenditures for emergency and/or unusual circumstances to benefit all or a portion of the eligible Indian students as approved by the local Indian Education Committee pursuant to such criterion developed for this purpose and applied uniformly in support of supplementary programs/projects which may include the following; however, G.E.D. or livestock expenditures are prohibited.

6. Program expenditures may supplement the instructional and supportive services identified under the provisions of the Indian Education Act of 1972 (Title IV, P.L.92-318), provided, that such expenditures will not supplant any funds under such Act, and that such programs are in addition to or complementary to the basic educational programs offered by the affected school district or Indian tribe(s).

7. Supplemental programs may be operated on premises within or without the school district boundaries, or at such other facilities maintained by a tribal government, Indian corporation, or the Bureau of Indian Affairs adequately facilitated to accommodate said programs, provided, that when supplementary programs designed to extend the classroom participation of eligible Indian students beyond the school premises and during normal school hours the State compulsory school attendance laws shall govern.

B. OPERATIONAL SUPPORT PROGRAMS

1. Programmatic expenditures made in support of operational costs incurred by eligible and participating public school districts educating eligible Indian children to meet educational requirements established in ARS Title 15 - Education and Policies of the State Board of Education. All fiscal procedures/expenditures for this purpose shall be executed pursuant to ARS 15-1161 and Uniform System of Financial Records/Chart of Accounts.

2. To be eligible for operational expenditure funding or consideration a school district shall establish all of the following:

   a. That there exists at least 70 percent or more of eligible Indian children within the school district or within any particular school served.

   b. All other sources of financial aid or revenues to which the district is entitled are utilized, including all forms of state aid, P.L.81-874 funds, balances forward, and funds raised from a local tax levy based on the qualifying Johnson-O'Malley rate established by the Arizona Department of Education.

   c. That the district has made a reasonable tax effort with a mill levy in support of education programs at least equal to the state average, being the rate not less than the average levied by all similar districts in the state during the previous year, excluding special levies and bonded indebtedness. The average tax rate is to be developed separately for elementary districts and high school districts which will be a simple average tax rate as used in the annual report of the Department of Public Instruction. Whenever applicable, a unified school district may use the unified rate.

   d. That the district cannot satisfy the minimum state standards or requirements in the absence of such funds.

C. SPECIAL SERVICES

1. Special services may be provided for special extraordinary needs or circumstances, and emergency services which may be provided to a public school district, Indian child, Arizona Indian tribe, Arizona Indian Education Association, or an Indian corporation, to enhance or enrich educational opportunities and upgrade the quality of education for Indian children. Priorities may be given to Indian children participating in special educational programs for trainable and educable youth, provided, that all other resources are fully utilized.

2. Funds for this purpose shall be maintained in the operational budget of the Division of Indian Education. Awards for Special Service Projects shall be approved by the signed parties on a line item basis, or by such other procedures as mutually determined by the contract officers' representatives.

3. Applicants may submit requests for assistance, with written justifications, or statements of needs consistent with the provisions of this Plan for supplementary programs/projects and the provisions of item 2 of this part to the Division of Indian Education.

ADMINISTRATION AND MANAGEMENT

A. The Bureau shall provide funds for administrative and management costs to carry out the contracted Johnson-O'Malley Program, and the provisions of the 1977-1978 Arizona Johnson-O'Malley State Educational Plan.

B. The Arizona Department of Education, Division of Indian Education, may be authorized by the State Board of Education to be responsible for the administration and management of all programs and services executed under the authority of the Johnson-O'Malley Act and ARS 15-1161, and may perform such other functions as required or delegated by the Superintendent of Public Instruction. Such responsibilities shall include final disposition of proposals submitted under this plan for funding and statutory compliances. The Division of Indian Education shall be staffed by an adequate staff to carry out the provisions of this Plan and contractual agreements.

C. Additional functions or activities of the Division of Indian Education may be performed to coordinate other state, federal, or local programs applicable to the educational and special needs of Indian children and the Indian communities, and, upon request, to the general public.

D. The Division of Indian Education shall be responsible for maintaining all documents such as invoices, purchase orders, cancelled checks, balance sheets, and all other records relating to financial transactions to facilitate auditing, and maintain other documents relating to the administration of the contract. The records involved in any claim or expenditure which has been questioned shall be further maintained until final determination has been made on the questioned expenditures.

E. The Arizona Department of Education shall make an annual report to the approving official and the participating Indian Education Committees on or before September 15 for the previous school year, and include, but not be limited to, (a) an accounting of the amounts and purposes for which the contract funds were expended, (b) information on the conduct of the program, (c) a quantitative evaluation of the effectiveness of the stated goals and objectives contained in the applicant's educational plans, programs, and projects and such other documents required by the signed contract.

F. All applicants participating under this Plan shall submit the following information on or before July 30 of each year for said annual report. (A state summary report form will be supplied by the Division of Indian Education.)

1. Number of eligible Indian eighth grade and twelfth grade graduates each year.

2. Report to the Division of Indian Education total enrollment of Indian students by grade and age in the Johnson-O'Malley participating schools (kindergarten through grade 12).

3. Report number of dropouts and transfers by grade and age, including reason for leaving school.

4. Total school enrollment including Indian and non-Indian students.

5. All applicants shall further submit periodic progress reports on program activities and current fiscal expenditures on or before December 31, 1977, and April 30, 1978 in addition to the annual report noted above.

6. Copies of each Indian Education Committee's minutes shall be submitted as approved.

GENERAL PROVISIONS

A. All public schools districts and Indian tribes receiving funds under this Plan shall comply with Title VI of the Civil Rights Act. "No person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance."

B. All funds provided by this Plan, shall be expended only for the benefit of eligible Indian students, provided, that where students other than eligible Indian students participate in programs contracted under this part, money expended under such contract shall be prorated to cover the participation of only the eligible Indian students, except where the participation of non-eligible students is so incidental as to be de minimus. Such de minimus participation must be approved by the Indian Education Committee.

C. All programs or projects funded under this Plan shall be open for visitations and inspection by the contractor or a duly authorized representative of the Secretary of the Interior or members of the Indian Education Committee to monitor, evaluate, and audit program effectiveness and financial expenditures.

D. School districts receiving funds under the Johnson-O'Malley Act shall provide educational opportunities to all Indian children within that school district or school on the same terms and under the same conditions which apply to all other students, and shall insure that Indian children receive all aid from all sources which they would be entitled to receive. In no instance shall there be discrimination against Indians or schools enrolling such Indians, and as applicable, the rules and regulations pertaining to student rights and due process (25 CFR Part 35) be observed.

E. No contract funds under the Johnson-O'Malley Act shall be made available by the Bureau directly to other than tribal organizations, states, school districts, and Indian corporations. However, tribal organizations, states, school districts, and Indian corporations receiving funds under this part may use the funds to subcontract for necessary services with any appropriate individual, organization or corporation.

F. The Bureau of Indian Affairs may provide additional guidelines to the State Board of Education on the distribution of contract funds based upon the special cultural, linguistic, social, educational needs of the communities involved, including the actual cost of delivering educational services, or by such other factors consistent with authorities granted thereto.

G. Records shall be maintained on financial transactions involving the receipt and expenditure of funds provided under the contract in a manner which will provide accurate, current and complete disclosure of financial status, correlation with budget or allowable cost schedules, and clear audit facilitating data.

H. During the term of any program created under this Plan and for three years after the program or undertaking is completed, the Comptroller General and the Secretary, or any of their duly authorized representatives, shall have access, for audit and examination purposes, to any of the contractor's books, documents, papers, and records which, in their opinion, may be related or pertinent to the contract or any subcontract.

I. All contracts, non-confidential records concerning all students served by the program, reports, budgets, budget estimates, plans, and other documents pertaining to preceding and current year administration of the contract program shall be made available by the contractor and local school officials to each member of the Indian Education Committee and to members of the public upon request. The Department of Education, Division of Indian Education, or local school official shall provide, free of charge, single copies of such documents upon request.

J. In those states where Public Law 83-280, 18 U.S.C. 1162 and 28 U.S.C. 1360 do not confer civil jurisdiction, state employees may be permitted to enter upon Indian lands, reservations, or allotments if the duly-constituted governing body of the tribe adopts a resolution of consent for the following purposes:

a. Inspecting school conditions in the public schools located on Indian tribal lands, reservations, or allotments.

b. Enforcing state compulsory school attendance laws against Indian children, parents, or persons standing in loco parentis.

K. All programs established under this Plan must comply with the applicable requirements in the Federal Procurement Regulations (41 CFR Part 1), as supplemented by the Interior Procurement Regulations (41 CFR Part 14), the Bureau of Indian Affairs Procurement Regulations (41 CFR Part 14H), except 41 CFR Part 14H-70, Subpart D of 43 CFR Part 2 which implements the Privacy Act (5 U.S.C. 552a), and such other procedures determined by the contract officers' representatives (ADE/77/2CLT).

ARIZONA INDIAN EDUCATION ASSOCIATION

A. The statewide Arizona Johnson-O'Malley Indian Education Committee hereinafter known as the Arizona Indian Education Association shall be composed of one member and one alternate as nominated or selected by procedures determined by each Arizona Indian tribe or tribal government.

B. Each local Indian Education Committee(s) established under this Plan, except Intergovernmental Agreements, may elect one representative and one alternate from its members to participate in the activities of the Association.

C. For purposes of this Plan, the Arizona Indian Education Association shall serve in the liaison capacity to the Arizona State Board of Education, Department of Education, and the Bureau of Indian Affairs and may serve and operate under the terms and conditions delineated in the constitution and bylaws pursuant to P.L.93-638.

D. Additional functions and responsibilities of the Association may at its option be exercised, provided, that such are in accordance with the applicable state, federal, and local laws or regulations, and the provisions of this Plan for educational purposes.

E. The Arizona State Board of Education may in the performance of its duties designate the Association to undertake special activities for the benefit of Indian children, Indian communities, and public school districts.

F. The Arizona Indian Education Association in connection with the Arizona Department of Education may provide assistance through an Indian tribe, to provide per diem and mileage for tribal representatives or alternates. Representatives from each Indian Education Committee shall be reimbursed from its approved budget to attend and vote at Arizona Indian Education Association meetings as designated in the constitution and bylaws of the Arizona Indian Education Association.

G. The Arizona Indian Education Association may conduct conference(s) and workshops on Indian Education in cooperation with the Phoenix Area Office and the Arizona Department of Education, Division of Indian Education. Funds for this purpose shall be provided pursuant to Special Services.

C/01-10/T/01-03/jt/2.08

ARIZONA DEPARTMENT OF EDUCATION
DIVISION OF INDIAN EDUCATION

Operational Support Proposal
March 1977

PURPOSE:

To maintain the shared responsibility of state and federal obligations to provide educational opportunities for its citizenry through the applicable public school systems or agencies of the State of Arizona where such are located principally on an Indian reservation or providing such programs or services for the benefit of Indian children.

POLICY:

I. The Arizona State Board of Education shall receive such federal appropriations designated for operational expenditures in support of all educational requirements pursuant to Article XI, Section 1, of the Arizona State Constitution, Arizona Revised Statutes Title 15 - Education, and Arizona State Board of Education Administrative Rules and Regulations, Title VII, Chapter 2.

II. Funds for operational expenditures shall be utilized within the adopted school district budgets or such other authorized budget format for financial aid in support of educational programs or services offered by the eligible public school district. All fiscal procedures or expenditures for this purpose shall be executed pursuant to ARS 15-1161 and the Arizona Department of Education's Uniform System of Financial Records.

III. Funds otherwise justified and to the extent available will be provided on the basis of actual or emergency need after receipts from all other sources of revenue to which the district is entitled excepting thereof balances forward of said funds.

IV. The Arizona State Department of Education shall establish the qualifying tax rate to be the rate equal to the state average and not less than the average levied by all similar districts in the state during the previous fiscal year excepting thereof special levies and bonded indebtedness. The qualifying tax rate may be developed separately for elementary and high school districts or as applicable a rate for a unified district.

V. Funds shall be provided to public school districts educating at least 70 percent or more of eligible Indian children who are one quarter or more degree of Indian blood and recognized by the Secretary of the Interior as being eligible for Bureau of Indian Affairs services, or to such other public schools or agencies educating out-of-district eligible Indian children on a tuition basis.

VI. Funds shall be used for operational expenditures to provide educational opportunities in accordance with the minimum state educational requirements with fiscal accountability pursuant to the adopt chart of accounts, provided that the district shall not budget or project a deficit by using said funds and that the educational needs of the students are identified and met as the beneficiaries of said funds, provided further, that the district cannot satisfy the minimum state requirements in the absence of said funds.

VII. The Operational Support Proposal (Plan) may be altered or amended by the mutual consent of the signed parties. Changes in either state or federal law pertaining to aids in financing public education will be cause to revise this plan.

VIII. Funds appropriated for this purpose shall be administrated by the Arizona State Department of Education, Division of Indian Education, pursuant to the provisions of state or federal laws.

W2/1b/01/3.9

ACCOUNTING FOR JOHNSON O'MALLEY FUNDS

At year end, a financial report must be submitted to the Division of Indian Education. This report will be in the format of the adopted budget. In order to simplify the gathering of data for this report, we recommend the following accounting procedures be implemented for FY 78.

1. The General Fund Budget of the District be analyzed in the following format prior to July 1, 1977.

FUND NO.	JOM FUNDING	ALL OTHER FUNDING	TOTAL
001 & 011			
I. GENERAL			
Administration			
1. Certified Salaries.			
2. Classified Salaries			
3. Employee Benefits			
4. Travel.			
5. Supplies and Materials			
6. Other Operating Expenses			
7. TOTAL ADMINISTRATION			

Instruction

Regular

8. Certified Salaries. . . . . ______ ______ ______

9. Classified Salaries . . . . ______ ______ ______

10. Employee Benefits . . . . ______ ______ ______

11. Travel. . . . . ______ ______ ______

12. Supplies and Materials. . . . . ______ ______ ______

13. Other Operating Expenses. . . . . . . ______ ______ ______

14. Tuition to Others . . . . ______ ______ ______

Support

15. Certified Salaries. . . . . ______ ______ ______

16. Classified Salaries . . . . ______ ______ ______

17. Employee Benefits . . . . ______ ______ ______

18. Travel. . . . . ______ ______ ______

19. Supplies and Materials. . . . . ______ ______ ______

20. Other Operating Expenses. . . . . . . ______ ______ ______

21. TOTAL INSTRUCTION . . . . ______ ______ ______

FUND NO.		JOM FUNDING	ALL OTHER FUNDING	TOTAL
001 & 011				

Other

22. Classified Salaries . . . . ______ ______ ______

23. Employee Benefits . . . . ______ ______ ______

24. Travel. . . . . ______ ______ ______

25. Supplies and Materials. . . . . ______ ______ ______

26. Other Operating Expenses. . . . . . . ______ ______ ______

27. TOTAL OTHER . . . . ______ ______ ______

28. Contingencies . . . . ______ ______ ______

29. TOTAL GENERAL MAINTENANCE AND OPERATION . . . . ________ ________ ________

(LINES 7, 14, 21, 27, 28)

FUND

NO.

002 & 012

II. SPECIAL EDUCATION

Handicapped

Regular (1)

1. Certified Salaries. . . . . ________ ________ ________
2. Classified Salaries . . . . ________ ________ ________
3. Employee Benefits . . . . ________ ________ ________
4. Travel. . . . . ________ ________ ________
5. Supplies and Materials. . . . . ________ ________ ________
6. Other Operating Expenses. . . . . . . ________ ________ ________

Support

7. Certified Salaries. . . . . ________ ________ ________
8. Classified Salaries . . . . ________ ________ ________
9. Employee Benefits . . . . ________ ________ ________
10. Travel. . . . . ________ ________ ________
11. Supplies and Materials. . . . . ________ ________ ________
12. Other Operating Expenses. . . . . . . ________ ________ ________
13. TOTAL HANDICAPPED . . . . ________ ________ ________

FUND
NO.
003 & 013

Gifted

Regular (2)

14. Certified Salaries.			
15. Classified Salaries			
16. Employee Benefits			
17. Travel.			
18. Supplies and Materials.			
19. Other Operating Expenses.			
Support			
20. Certified Salaries.			
21. Classified Salaries			
22. Employee Benefits			
23. Travel.			
24. Supplies and Materials.			
25. Other Operating Expenses.			
26. TOTAL GIFTED.			
27. TOTAL SPECIAL EDUCATION			

FUND NO.	JOM FUNDING	ALL OTHER FUNDING	TOTAL
004 & 014			
III. PUPIL TRANSPORTATION (ARS 15-1201-D)			
1. Salaries.			
2. Employee Benefits			
3. Travel.			

4. Supplies and Materials. . . . . ________ ________ ________

5. Other Operating Expenses. . . . . . . ________ ________ ________

6. Capital Outlay. . . . . ________ ________ ________

7. TOTAL PUPIL TRANSPORTATION. . . . ________ ________ ________

FUND

NO.

005 & 015

IV. CAPITAL OUTLAY (ARS 15-1201-E)

8. Building Additions and Improvements . ________ ________ ________

9. Improvements Other than Buildings . . ________ ________ ________

10. Furniture and Equipment . . . . ________ ________ ________

11. Textbooks . . . . ________ ________ ________

12. Other . . . . ________ ________ ________

13. Capital Outlay for Tuition Students . ________ ________ ________

14. TOTAL CAPITAL OUTLAY. . . . . . . ________ ________ ________

15. TOTAL GENERAL FUND
(SECTION I-29, II-27, III-7,
IV-14). . . . . ________ ________ ________

Hl/jt/01-03/3.15

OPERATIONAL SUPPORT -- PHOENIX AREA OFFICE

Major Impact School Districts	1976-77 JOM Enrollment	*1976-77 Tax Rate	1974-75 Actual JOM Receipts	1975-76 Contract Payment	1976-77 Contract Payment	1977-78 Entitlement	1977-78 Recommendation
Indian Oasis #40	985	$3.16	$300,000.00	$260,000.00	$173,000.00**	$ 87,000.00**	$300,000.00
Sacaton #18	852	3.16	180,000.00	126,000.00	84,000.00	42,000.00	180,000.00
Keams Canyon #25	759	3.16	90,000.00	38,000.00	25,333.00	12,667.00	90,000.00
Alchesay H. S.	393	2.72	140,000.00	83,000.00	55,773.00	27,227.00	140,000.00
Fort Thomas H. S.	270	2.72	40,000.00	34,000.00	22,667.00	11,333.00	40,000.00
Fort Thomas #7	116	3.16	-0-	-0-	-0-	-0-	-0-
Peach Springs #8	153	3.16	25,000.00	-0-	-0-	-0-	25,000.00
Rice #20	878	3.16	-0-	-0-	-0-	-0-	25,000.00
Whiteriver #20	1,289	3.16	-0-	-0-	-0-	-0-	-0-
TOTAL	5,695		$775,000.00	$541,000.00	$360,773.00 -173,000.00 $187,773.00	$180,227.00 - 87,000.00 $ 93,227.00	$800,000.00 -300,000.00 $500,000.00

*JOM Qualifying Tax Rate: **$3.16 Elementary; $2.72 High School**
**TRIBAL CONTRACT

12/hd/05/2.22

TESTIMONY PREPARED
FOR THE
SUBCOMMITTEE ON ELEMENTARY, SECONDARY
AND VOCATIONAL EDUCATION
IN CONJUNCTION
WITH
ADVISORY STUDY GROUP ON INDIAN EDUCATION
OF THE COMMITTEE ON EDUCATION
AND LABOR

MAY 17, 1977

SUBMITTEE BY:

Dr. Kenneth G. Ross

These hearings on the subject of operational support, in my perception, provide a forum which will generate a very crucial decision regarding the future direction of our nations involvement in financing basic educational opportunities for Indian youth enrolled in public school systems across this great country.

The valuable experience and knowledge of public school education and finance systems gained as a professional educator within three States, critically affected by the outcome of these hearings, shall be the nucleus from which my testimony shall be based. As a current school superintendent many specific examples will be drawn from actual data regàrding the Window Rock School District, Apache County, Arizona.

The increasing cost of providing a basic education program is consistent with trends in any other endeavor. As such, it appears logical that under the present educational systems it is not the individual sources of revenue that determine the quality or quantity of a basic educational program but the aggregate amount of revenues available from all sources. Therefore, it is the total revenues received from all sources that have the greatest effect on maximizing educational opportunities for Indian youth in public schools and not any singular program.

To further illustrate this point let us examine actual data. The Window Rock School District encompasses a total of 250,880 acres; of this 249,416 acres are tax exempt. This leaves a total taxable acreage of 1,464 acres. Stated another way less than 6/10ths of 1% of the total land base is taxable property. Recognizing that Serano VS. California and Rodriques VS. Texas have established that property taxes are discriminatory taxes which impose on the equal protection of individuals in the support of public education. The situation in the Window Rock School District is a vivid example of this concept when one considers the fact that, additionally, there are only 49 taxpayers (See Appendix) in the district with a total market value of $14,783,786. Arizona assesses @ 50% of market value which yields $7,391,893.00 in taxable resources. Three of the 49 taxpayers contribute approximately 96% of all taxes collected. One of these contributes 64% of all taxable income for education.

Financial assistance for basic operational support under the Johnson-O'Malley authority has been approved for eligible school districts in the states of Arizona, South Dakota, Minnesota, Montana, and Nebraska to identify a few. Each State has adopted and uses its own individual taxation mechanism to generate that states educational assistance funds. This taxation format also regulates how local school district revenues are generated and stipulates the parameters for taxation. Arizona for example assesses all property at 50% of true or market value with no maximum tax levy. South Dakota assesses from 0-to 60% of true value, at the discression of each County Assessor, with 24 mills maximum on non-agricultural property and 40 mills maximum on agricultural property. Minnesota has 16 classifications of assessable property with adjusted assessed valuations for specific classifications as well as tax credits for certain types of property. The tax limitations are set and regulated by the State. Montana assesses at 30% of true or market value on 8 classifications, of property the tax levy is established at 30% of assessed valuation. In essance 1/9th of market value Nebraska assesses all real property at 35% with no tax limit.

The divergent systems used by these states make a national formula impractical. A more rational approach would be to assess actual fiscal needs within the context of each states taxation methodologies.

Due to reductions in federal funds, more specifically JOM operational support, and the need to maintain existing programs to educate 3028 children 96% of whom are American Indian, this district is faced with reducing programs or raising taxes. Taxes have been raised in past years and subsequently taxes have been paid under protest. In a neighboring district a federal court order forced the Chinle School District to reduce its adopted budget, to reduce taxes from $54.00/$100.00 assessed value to $8.00/$100.00 value.

With local tax limitations being Judicially controlled coupled with a predetermined phase out of Johnson-O'Malley operational support there are only two options available. These are additional state aid and/or additional operational support via public law 81-874.

Most school systems eligible for operational support which are funded under the Johnson-O'Malley authority are located in rural areas adjacent to or situated entirely on Indian lands. This relative isolation creates added educational considerations which need to be addressed. The most apparent being transportation services; increased costs for maintenance; and a dearth of available teacher housing. These educational concerns are not given much credence in the present 81-874 funding formula or in States which do not have an educational equalization program.

Adequate facilities for instructional purposes as well as the facility needs to house teachers impacts each and every school system which has traditionally been eligible for JOM consideration. The deletion of Capitol Outlay as an authorized expenditure item under JOM has placed an additional burden on these school systems given the fact that P.L. 81-815 has been ineffective in assisting these schools to meet their needs. Capitol Outlay expenditures detracts from funds which impact the direct academic opportunities or services an as such should be included in basic operationa support costs.

I firmly believe that Capitol Outlay needs to be included in the basic operational support concept and allowances in the grant be made in direct proportion to the percentage this item is of the total budget.

In states where an equalization program exists the federal government under new regulations (Tuesday, March 22, 1977 Part II. School Assistance in Federally Affected Areas) published in the Federal Register permits states to deduct P.L. 874 funds from their equalization allocation to the local school districts. Consequently, funds theoretically gained through P.L. 874 can be deducted from the total state equalization allocation which will result in an overall reduction in total revenues available to local school districts.

As one can readily see, there appears to be a steady deterioration of the basic foundations which have traditionally supported public education whclh is afforded Indian youth. Many studies can be cited which vividly show that Indian children in Bureau of Indian Affairs' schools receive by far greater financial consideration than those who are ineligible for Bureau of Indian Affairs services or have opted to be educated in public schools.

The rising inflationary trends coupled with the energy crisis will drastically impact the quality and quantity of basic educational opportunities. These factors will be drastically compounded should the programs which form the foundation for operational support be eliminated.

In summation, based upon 14 years of professional educational experience; 4 of which was as a State Director of Indian Education in South Dakota; 3 as an Educational Specialists in the Minnesota State Department of Education; and 4 years as a Public School Superintendent in Arizona, I am totally convinced that there is a need for operational support of basic education.

The phase out of operational support under the Johnson-O'Malley authority can only add to the already existing financial woes of public schools which are attempting to provide quality basic educational programs.

Speaking on behalf of the Window Rock School Board, which is entirely Indian and the 3028 students we serve, I should like to submit this testimony along with the following recommendations for your committee's perusal:

1. That operational support under the Johnson-O'Malley authority be retained at the 1975-76 funding level (3,900,000) until new legislation or regulation changes are made.
2. That new legislation be enacted stipulating the eligibility criteria, administration and operational logistics required; and appropriate authorization to allow for immediate relief under the Johnson-O'Malley authority.
3. That a congressionally appointed task force be convened to establish relevant eligibility criteria for operational support.
4. That the composition of this task force include representation from: American Indian Tribes, Bureau of Indian Affairs, State Department of Education, Local Education Agencies.
5. That a director be identified with a support staff of no more than five professionals who would be charged with annual data gathering and grant monitoring.
6. That a expert school finance panel be appointed by the Commissioner to ascertain financial need of eligible school districts applying for operational support, chaired by the designed Federal Administrator, or Director.

7. That operational support be in the form of a direct grant to local education agencies with no administrative contract options, no administrative cost deductions, and which is not [redacted] subject to the conditions of P.L. 93-638.

8. That operational support under this authority be exempt from inclusion, now or in the future, in state equalization programs and that capitol outlay be included as an appropriate expenditure item.

9. That the grants remain administratively clean and timely.

10. That the BIA or USOE, SAFA Office be charged with the Federal Administration of this program.

Respectfully Submitted:

Dr Kenneth G. Ross
Dr. Kenneth G. Ross
Superintendent of Schools
Window Rock School District No. 8

		CASH VALUE	ASSESSED VALUE	TOTAL TAX
1.	El Paso Natural Gas	8,942,230	4,711,115	595,199.30
2.	Navajo Comm. Great South West	4,506,694	2,253,347	299,967.80
3.	Transwestern Pipeline	954,164	477,082	63,509.64
4.	Anna Lee	96,915	21,520	2,531.46
5.	Beryl Karigan	32,769	6,990	967.94
6.	Mountain States T & T	12,545	6,273	835.06
7.	Katherine H. Perce	26,632	3,995	452.40
8.	Walter J. McAvoy	13,419	3,274	435.84
9.	Sisters of the Blessed Sacrament	9,800	1,764	236.84
10.	Western Union	2,936	1,468	195.42
11.	L. T. Buttrill	5,400	972	129.40
12.	George & Karen Perce	3,970	715	95.18
13.	James Culleton	3,830	689	91.72
14.	Lucille M. Joe	2,550	459	61.10
15.	Lawrence Davis	2,500	450	59.90
16.	Michael Nelson	2,150	387	51.52
17.	Ben & Joy Hanley	1,900	342	45.52
18.	Thomas Tippeconnic	1,800	324	43.14
19.	James Nelson	1,800	324	43.14
20.	Ralph Chavez	1,575	284	37.80
21.	Central Mission Board	1,400	252	33.54
22.	Kevin W. Gleason	1,350	243	32.34
23.	Alan B. Goodman	1,350	243	32.34
24.	Glenn C. George	1,275	230	30.62
25.	Edgar Darby	1,275	230	30.62
26.	Great Western Bank	1,275	230	30.62
27.	Bob & Yvonne Masters	1,250	225	29.96

28.	Vincent P. Lachelli	1,100	198	26.36
29.	Hazel Canfield	1,100	198	26.36
30.	Edward P. Tso	1,100	198	26.36
31.	Jonah T. Bizaroi	1,100	198	26.36
32.	Gerald A. Truesdell	1,100	198	26.36
33.	David C. Ray	1,100	198	26.36
34.	David & Margaret Flake	1,050	189	25.16
35.	Marvin & Ora Puckett	950	171	22.76
36.	Edward L. Perkins	950	171	22.76
37.	Howard O. Freestone	950	171	22.76
38.	Fed Mart Corp	900	162	21.56
39.	Peter P. Borrow	900	162	21.56
40.	Earl R. Freestone	850	153	20.36
41.	Michael L. Enfield	850	153	20.36
42.	William G. Coffey	800	144	19.16
43.	A. Ekada	735	132	17.60
44.	Charlie or Linda Swan	500	90	12.00
45.	Ethel A. Folsom	500	90	11.98
46.	M. Purifoy & J. Trfor	500	90	11.98
47.	Green, Ernest & Socorro	500	90	12.00
48.	S & K Battese	250	45	6.00
49.	E. Green	250	45	6.00
		250	45	6.00

Justification for Basic Support

By Pat Graham

The phasing out of Johnson-O'Malley basic operational support funds for Arizona public schools is having a profound effect, in part due to the unique financial situation of the schools especially those located within the Navajo Reservation and in part due to the way JO'M funds have been allocated to the schools historically.

Until two years ago, all JO'M funds in Arizona were contracted between the Bureau of Indian Affairs (Phoenix Office) and the state. The funds available were then distributed arbitrarily to the eligible school districts. The distribution of the funds was not directly related to the needs of the schools, especially in terms of special programs designed to meet the unique needs of the Indian students.

All JO'M funds received by the schools disappeared into the operational budget and were not identified by an audit trail, needs assessment or other means. In many cases, the state distributed or used JO'M funds in ways that were highly questionable in relation to the regulations, examples include paying teacher retirement costs in Apache County, taking "administrative costs" to set up a state Indian Education office, and allocating funds to schools that had incurred substantial debts, regardless of the number of eligible students, per pupil costs, etc.

The basic concept seems to have been that JO'M funds were "slush" money that the state could distribute as it deemed necessary.

However, even though the distribution of funds could easily be deemed inequitable, JO'M monies were significant in helping eligible school districts fill the financial gap between state aid and tax funds. This was very important to schools on the Navajo Reservation which have an extremely low tax base. An example of the importance of JO'M funds occurred in the 1973-74 school year when the state withheld $250,000 in JO'M funds which had been "promised" the Window Rock schools and gave them to other schools. This arbitrary cutback gave the Window Rock schools a deficit for the first time in their history.

This was one of the reasons an effort was made to move the JO'M contract from the Arizona - Phoenix (BIA) axis to having the schools contract directly with the Navajo Area Office. However, at the same time this move was made, JO'M basic support funds were begun to be phased out and all JO'M funds were supposed to become supplemental.

The question is: when enrollment is over 90% Indian, how can basic educational programs be adequately funded? Without an adequate basic program, supplemental programs became too often merely efforts to provide things that should already exist.

The other related problem is that JO'M was originally intended to assist schools financially which were located on reservations and had no viable tax base. Using JO'M funds strictly on a supplemental basis creates conflicts with other programs, such as Title IV, and ignores the original intent, which were to provide funds in lieu of taxes.

Although Arizona is finally beginning to change its funding formulas in order to provide - finally - more funds to reservation schools, there is still a significant gap between what state aid and local taxes can provide and the needs of the districts. For example, the continued phase out of JO'M basic funds has the Window Rock schoools facing a $15 tax rate for 1977-78. Last year, tax payers said they would sue if the tax rate were over $6.

Public Law 81-874 funds are significant in helping the schools on the reservation, but this program is really designed for off-reservation districts which are impacted by military bases and is not designed for the unique needs of school districts located entirely within Indian reservations. Combining state aid, local taxes and P. L. 81-874 funds still leaves an obvious gap between revenue and costs.

The Window Rock schools have projected that it would take $700,000 of JO'M basic support for 1977-78 to enable the district to continue to provide the same services available this year, based on a $5 million budget with no increase next year.

The Arizona public schools within the Navajo Reservation strongly advocate a return to the original concept of JO'M, wherein it would provide funds necessary to fill the gap between other source of revenue and the needs of the districts. If the schools are not able to provide minimum educational programs adequate to the needs of the students, and the curtailment in JO'M basic support threatens this, then supplemental programs too often became exercises in futility.

We need adequate funding to provide the highest quality possible educational programs. With over 90% Indian enrollment, if the basic program is well-designed and relevant, and the effort to do so is becoming more and more the goal and direction at the public schools, then supplemental programs to make up the existing gaps become less important since the needs would already be met, and the funds in general would be better used.

Where schools have been slow to adequately recognize the needs of Indian students, and it is obvious that JO'M funds were misused by most schools for over 20 years, the regulations can be used as a lever to force the schools to revise their programs. It is unfortunate that millions of dollars in JO'M funds went into Arizona for years with no effort by the schools to really meet the needs of Indian students.

Now that such an effort is being made, the schools are being hamstrung fiscally by the phase out of JO'M support.

POSITION PAPER

Regarding the Significance of Federal Funding to the Arizona Public Schools within the Navajo Nation

The Window Rock School District is one of six public school districts that include most of the Arizona portion of the Navajo Nation. Together these districts include an area the size of West Virginia and offer educational programs, kindergarten through 12th grade, to over 13,000 Native American students. The growth of the public schools has been rapid (800% in 20 years in Window Rock alone) and adequate funding has never been available, due to failures on the part of both the state and federal governments.

All of these districts, due to their location, have low assessed valuations and correspondingly low incomes from local taxes. As an example, the income from local taxes for Window Rock as averaged 5% of the basic budget over the past 10 years. This amount has been generated from 6/10 of 1% property taxes and the balance of which comes from utility taxes. They have also suffered from discriminatory funding practices from the state over the years, especially in Apache County. Window Rock, Chinle and Ganado offer comprehensive high school programs, but are considered only elementary districts. Until last year, they received only elementary level state aid, even for the high school students. They are allowed to tax only as elementary districts, while the high school tax rate has gone to the Apache County High School District, which is responsible for only 25% of the high school students in the county. They also received only elementary level P.L. 81-874 funding, further depriving them of money vitally needed to which they were entitled.

In the absence of adequate tax support and with the state doing little in light of the needs, federal funds have been vital to the existence of these districts, although the fluctuations in fundings, delays in receiving funds, limited appropriations, and other ramifications of the federal bureaucracy have provided continued headaches to business managers and superintendents and made planning virtually impossible.

Over the past 10 years, federal funds - P.L. 81-874 and Johnson-O'Malley - have provided at least 50% of the basic budget of the Window Rock schools. This ratio would be similar at the other five districts serving Navajoland.

Now the whims of fate and Congress are creating severe changes in the budgets of the districts. Until two years ago, Johnson-O'Malley funds were received by the state and distributed to the districts to be included in the basic operational budgets. The legality of this and other uses of Johnson-O'Malley funds by Arizona is very questionable under the regulations, but no corrective action was ever taken by the Bureau of Indian Affairs or other agencies of the federal government. And the districts came to rely on these funds. As an example, two years ago, the state arbitrarily held back $250,000 of the Johnson-O'Malley funds designated to Window Rock and distributed them to other districts, forcing Window Rock into a deficit for the first time in its history.

Then it was decided to adhere to the regulation and make Johnson-O'Malley funds available only for supplemental programs designed to meet the unique needs of Indian students and a phase-out program was started. Window Rock received as much as $700,000 in 1972-73 for basic support; this year it is receiving $210,000, next year $105,000 and nothing for the following year. This reduction has caused numerous complexities. It is difficult to provide effective supplemental programs when the districts are struggling just to offer a suitable basic program. The switch to supplemental programs has also greatly increased the paperwork imposed upon the districts and bureacratic delays in the approval of contracts and the providing of funds have been almost insurmountable impediments in designing and implementing effective supplemental programs.

Last year Johnson-O'Malley funds were not received by any of the districts until March, this year it was January. Since the majority of the funds are now supplemental, districts could not legally start any of the programs until contracts were approved and funds deposited with the county treasurer. These problems have deprived students of programs to which they were entitled and have created a serious waste of time and effort by school personnel.

The withdrawal of basic support and the complications in implementing supplemental programs have multiplied the fiscal complexities of the districts and could easily have a cause-effect relationship to the high turn-over of superintendents, business managers and federal program directors.

Fortunately, P.L. 81-874 funds have been increased somewhat to help fill the gap in the basic budgets. There has been a gradual increase in these funds overall each year, at least since 1970, however, two factors have helped the districts gain additional funds this year. First, through the efforts of the districts, the Navajo Division of Education and the Native American Rights Fund, the state was convinced of the need to change the P.L. 81-874 funding formula, as allowed by the regulations; this action, although many years late, has provided additional funds.

Also, last summer Window Rock and other school districts in the area went to court to force the U.S. Office of Education to change their interpretation of the Impact Aid regulations and provide additional funding for Indian special education children as they were doing for similar children of military personnel. This lawsuit was successful and will mean additional funds for any schools receiving Impact Aid that have Indian children in special education programs.

The fact that this lawsuit was necessary illustrates another problem with Impact Aid funds. The Act was originally designed for districts with military bases or similar installations that reduced the tax base of those districts. In many cases, these districts did have an adequate tax base. As has been pointed out in the recent GAO report, "Assessment of the Impact Aid Program," and numerous editorials, these districts were often quite wealthy and the Impact Aid funds were often a means of keeping the tax rate low, as opposed to being a vital source of funds as they are to the districts in the Navajo area. The lawsuits filed last year against Chinle and other districts in this area, although not directly related to Impact Aid funds, illustrate vividly what can happen when the power companies, which provide the vast majority of the taxes in this area, feel that the taxes are exurbitant. Window Rock had a tax rate of $17.00 last year and was told if it was not lowered to at least $6.00 this year, it would be in court.

As mentioned above, Impact Aid was not originally designed for districts on Indian reservations. It took a legal decision to make the funds available to such schools. These schools are usually totally ignored in discussions of Impact Aid, most likely because they receive a small percentage of the overall appropriation, even though these funds are comparatively much more important in Indian school districts. The GAO report, for example, does not refer to the needs of such districts at all, although a few Arizona and New Mexico school educating Indian students were studied.

We would strongly endorse revision of P.L. 81-874 and any effort to convert it into a program that would effectively assist in meeting the financial needs of school districts that have very limited income from local taxes and no way of improving the situation. Unfortunately, there appears to be little real effort to do so. Instead, battle lines are being formed around the present program in an either-or-basis. Opponents want to eliminate it; proponents are trying to save it. The first call it a "pork barrel;" the latter a "vital" program.

Approximately $8 million in Impact Aid will be received by our school districts this year, approximately 1% of the total appropriation. But this will provide some 30% of the basic budgets of our six school districts. Without these funds, we would have to curtail services to the point where it would probably be impossible to operate.

Another aspect of Impact Aid involves P.L. 81-815, which is supposed to provide funds for school construction. This program has never been adequately funded, and there is now an estimated backlog of $750 million to $1 billion in school construction funds. A mere $42 million for P.L. 81-815 is listed in the supplemental appropriations bill in the Senate and the sub-committee refused to even endorse that amount, only sending it to the full committee "without prejudice." The House bill includes nothing for P.L. 81-815.

At the same time, $6 billion has been appropriated for the Public Works bill to provide needed construction and stimulate employment. Putting $1 billion of that amount into P.L. 81-815 would have done exactly the same things as well as meeting vital and documented needs rather than merely providing for "needs" that often did not exist until the funds were made available.

SUMMARY

For the past two years, the Arizona public schools within the Navajo area have faced a continuing financial "crisis." Based on what is happening in Washington, 1978 could make the past two years seem like fiscal luxury.

We face continued changes in Johnson-O'Malley funding.

We face apparently increasing efforts to eliminate P.L. 81-874 funds.

We face the potential elimination of the Indian Education Act, which has been extremely important in providing new and relevant programs for Indian students, especially considering the problems with Johnson-O'Malley funds.

We face the continued handicap of trying to offer the best possible educational programs in limited, temporary and often totally unsuitable facilities due to the failure to fund P.L. 81-815.

We face the inability to raise our tax levy and no real prospects of our valuation bases being increased.

We face what we feel are real threats to the continued existence of public school education within the Navajo Nation.

These problems are not new. They have been dicussed and written about extensively during the past three years. We have had conferences, we have visited Washington. We have had a Library of Congress and other studies. We have not noticed much action.

Last year, when it was possible that the Chinle School District would be closed due to the lack of funds, there was a flurry of activity at the state and national level. The few results were short-range and very limited. Chinle remained open, but is handicapped this year by paying back financial advances and no real changes have been made.

The state and federal governments have been equally negligent and have continually preferred to blame each other rather than to try to solve the problems. All of the funds expended on conferences, reports and travel during the past two years, which have produced so little, would have made much more impact if they had just been given to the districts.

difficulties and handicaps. Ours is a total commitment to success. We ask your help at this critical time.

Thank you,

The ethics of the situation, the docmented needs of the schools and students have made no apparent impression upon officials with the power to do anything. It may well be that a series of class action lawsuits will be the only means of improving the situation and gaining equitable treatment.

Numerous studies over the past 50 years have pointed out the many short-comings in the educational programs offered to Indian students, and the lack of Indian control over the educational and other programs vitally affecting them. Now, Indians are becoming involved, are gaining control. Window Rock has had an all-Navajo school board for five years, the other schools mentioned in this paper have all-Navajo or a majority of Navajos on their boards. Parent Committees, especially as a result of the Indian Education Act, are becoming more and more influential. An what will the result be? Based on present trends, it could well be that in a very few years Indians will have complete control of their schools and have no funds to support them.

This brief paper has been prepared on behalf of the Reservation-Wide Public School Association, including the Window Rock, Chinle, Ganado, Tuba City, Kayenta, Puerco and Navajo Station school districts. It was done in haste to respond to events in Washington and complete statistics showing the total impact of federal funds upon all the school districts were not available.

Submitted by:

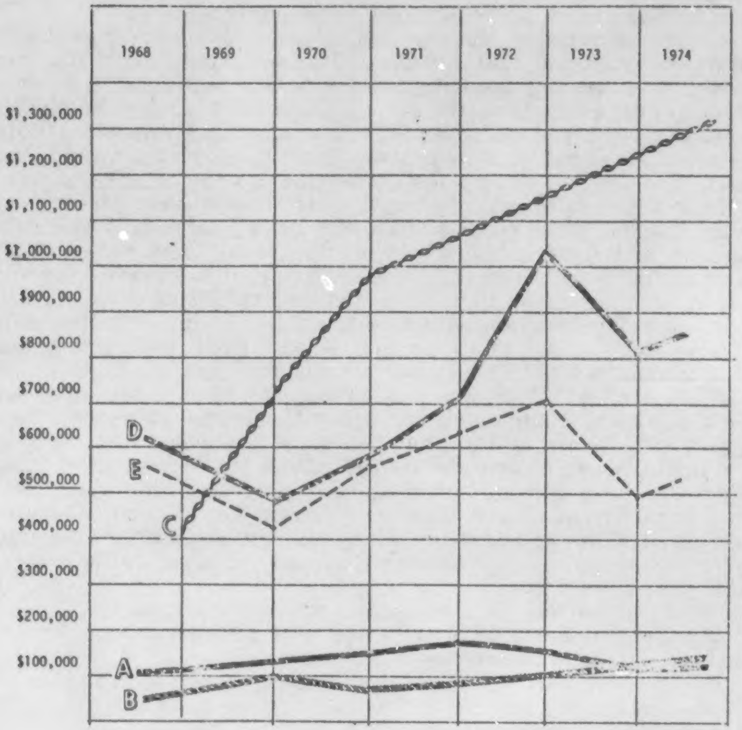
Patrick F. Graham
Special Projects Director
Window Rock School District

[Supporting Documents and Appendices in Subcommittee Files.]

WINDOW ROCK SCHOOL DISTRICT #8

GRAPHIC COMPARISON OF SOURCES AND AMOUNTS

OF FUNDS INCLUDED IN SCHOOL BUDGET



A. Funds from Miscellaneous Income

B. Funds from Local Tax Levy

C. Funds from State Aid

D. Funds from Public Law 81-874

E. Funds from Johnson-O'Malley Act

Mr. **Quie**. Could I get started asking some questions?

Mr. **Kildee**. Mr. Quie, I will defer.

Mr. **Quie**. Mr. Ross, the idea of contracting with the local school districts, why do you want to remove any influence even by a parent advisory committee, as it seems you are saying?

Dr. **Ross**. I am not of the position of referring the influence, I am of the opinion that administratively, it is bad administrative practice to have more administrators or policy bodies.

Given the example, the regulations under the Johnson-O'Malley authority stipulate that a local Indian education committee has veto power over the funds that are allocated to individual schools. We have an example on the Navajo Reservation under the Navajo area of the Bureau of Indian Affairs at this time where the Tribe received the administrative contract for Johnson O'Malley and then as a flow-through agency distributes that to the school districts.

In the process of establishing that administrative contract, they also included school board training for every local Indian education agency, and fixed public school on the Navajo Reservation. They also included within that administrative contract monitoring services. In addition to that, they included the evaluation of their administrative program, all under the guise of administrative costs.

Also, they did not solicit an endorsement from the Indian education committees of those various schools until last week, after they have expanded "X" numbers of dollars. It's kind of like after the fact, and because our Indian Education Committee at Window Rock public schools has said no, had you come and asked us previously we might have granted you consideration, but because of the fact that you have already initiated your programs, and then come asking us for the money, their position was known, and so now we are faced with the situation where contract negotiations for next year are being held up until a decision is made on the balance of this year's program.

So these are the kinds of situations that one runs into.

Mr. **Quie**. It seems like there was poor relations along the way and should have contracted them beforehand.

Dr. **Ross**. It's part of the problem of changing horses in the middle of the stream. We were with the State and we opted to go with the Navajo Tribe.

Mr. **Quie**. Your recommendation is that is only in the case where there is an all Indian school board, when there is not an all Indian school board then you would like to see it continue.

Dr. **Ross**. My recommendation is if you do not have a majority of an Indian school board on your public school board, then an advisory group should be mandated.

Mr. **Quie**. Okay.

Also let me understand on the taxes, El Paso Natural Gas, where is their administrative office in that Reservation area? Is it on reservation land?

Dr. **Ross**. Their administrative office is located in El Paso, Texas.

Mr. **Quie**. The home office; but there must be somebody who does some administering there on your reservation, isn't there, or is it only pipes and equipment?

Dr. Ross. No, basically just gas lines, and we had an ad volarem tax person that comes through periodically from El Paso.

Mr. Quie. How about service people?

Dr. Ross. They are stationed within the school district at one of the plants. They have got a number of plants, and their plants are not only in the Window Rock district but in the Granado Chinle, so we are talking about Apache country, encompassing those four school districts; El Paso is the major taxpayer in all four districts.

Mr. Quie. The service personnel have somebody who is their boss, being an administrator over them?

Dr. Ross. Yes.

Mr. Quie. In the Window Rock school district; where is that located?

Dr. Ross. That is located approximately 3½ miles south of Window Rock.

Mr. Quie. So it would be on the Navajo land.

Dr. Ross. Right.

Mr. Quie. Now, in that building is there a property tax paid on that building?

Dr. Ross. On the improvements?

Mr. Quie. So that would be the building and everything would be improvements,but not on the land itself.

Dr. Ross. Not on the land itself.

Mr. Quie. I see. All of these other individuals are about the same way. What about the Navajo committee in the great Southwest?

Dr. Ross. Navajo Communications.

Mr. Quie. Okay, Navajo Communications.

Dr. Ross. They are the telephone company that is in part owned, well, I believe the Tribe owns about 30 or 40 percent of the telephone communications company, but their headquarters are located just about a mile and a half west of Window Rock.

Mr. Quie. Is that a rural telephone company, so it comes under the Department of Agriculture?

Dr. Ross. I am not sure.

Mr. Quie. So again it's the improvements of that.

Dr. Ross. Right.

Mr. Quie. Transwestern Pipeline would be the same way.

Now, when you say Mountain States T&T, is that also a utility?

Dr. Ross. That is another communications.

Mr. Quie. How about the Sisters of the Blessed Sacrament? Usually religious organizations don't pay taxes.

Dr. Ross. In this particular case, as is the case with the other individuals listed in the testimony, the Sisters of the Blessed Sacrament actually purchased some non-trust land within our district, a very small acreage. There is still some controversy about some of the things going on and in previous testimony to the Policy Review Commission I cited that some time ago the U.S. Government granted title and deeds to property to religious organizations. There seems to be a situation now where some of that land is being subdivided and sold for housing purposes.

Mr. Quie. In the Window Rock school district, are there any Indians on the Reservation who run a business, and therefore, we will say a store, and the store is owned by themselves?

Dr. Ross. Yes.

Mr. Quie. Then in that improvement, do they pay property taxes on that?

Dr. Ross. No.

Mr. Quie. How do you determine?

Dr. Ross. There is a trading license that is required by the Tribal Council.

Mr. Quie. As far as the school is concerned, they pay no property tax?

Dr. Ross. It is no source of revenue for the school.

Mr. Quie. If the Navajo communication system—communication in the Great Southwest—was totally owned by the Navajo on the reservation, we would then have to pay taxes?

Dr. Ross. No.

Mr. Quie. Where is the breaking point, 50 percent or 100 percent?

Dr. Ross. I do not know what anyone needs to have in terms of making that determination. One of the other things I look at is in our efforts in terms of financing education, are we in conflict with 93-638 when in fact a tribe might espouse a priority for economic development? And what are we doing in terms of education by making a situation where anyone who comes in is going to pay ridiculously high taxes? You are negating the efforts of the tribe in a sense by not accommodating somehow. We have run into that situation on occasion.

Mr. Quie. There has to be a policy decision resolved there.

What you are really saying is the Federal Government ought to pay basic support and, as you said in your testimony, there is a need for it in the case of Johnson-O'Malley as well. Could you conceive of the possibility of amending 874 so that a total of basic support could be funded out of 874 and Johnson-O'Malley only used for supplemental purposes?

Dr. Ross. Administratively it would be convenient. As I stated earlier in my testimony, I do not know whether a formula distribution would be the most equitable situation. Primarily from looking at a school or a state taxation system you have inequities before you apply the formula, and unless that formula took into consideration some of those differences, then I do not feel a blanket formula would really do much good. But administratively I have no qualms in terms of having that placed on the program.

Mr. Quie. It is just you need to make certain there is the flexibility to take care of peculiar problems of districts?

Dr. Ross. Yes, sir.

Mr. Quie. Again, as you listened to my questioning of the previous witnesses, I think you accept that as far as 874 in lieu of local property taxes there is no question that ought to be done?

Dr. Ross. No.

Mr. Quie. To the extent, however, of the state's responsibility, have you thought of that and how much the Federal Government ought to be contributing because of the uniqueness of Indian reservations?

Dr. Ross. I have given that some consideration but I have not really come to a percentage. I think that needs to be worked out. As I reflect back, one of the things in the position where I am, the only thing I can do is work within the system to try to alleviate some of the problems and possible discriminatory legislation that is on the books. I can not do that alone. It means if there are some existing state laws that do in fact treat states or school districts within that state inequitably, then I think that those things need to be remedied, and remedied as fast as possible.

I think the state departments and many of the state legislatures are aware that part of the testimony in here is only some of the inequities and they are aware that we are ready, willing and able to challenge them, if necessary, in a court of law.

Mr. Quie. On 874, what you said about the basic support of Johnson-O'Malley where there is a majority of Indians on the school board would hold true here as well, I assume. What if there is not a majority of Indians on the school board and the fact that many school districts do not have an Indian on the school board and there is presently no Indian voice on 874 money because they are Indians on reservations. Do you think we ought to give Indians some voice in 874?

Dr. Ross. Definitely.

I also look at some of the inequities in 874, and part of them are based on the legal classification that states apply to school districts. Window Rock is an elementary school district and under state law we have been relegated or geographically we are within Apache County High School District. What happens at the present time is that we support all children, 1 through 8, on our elementary assessment evaluation and then apply and the levy in 9 through 12 under an approved high school program.

We subsidize their education under our elementary assessed evaluation and, in addition to that, we support an Apache High School District where none of the children receive any services and all of the facilities are located off the reservation.

In addition to that, I have one other point that I do not know what committee or what administrative unit needs to look into it, but because we are situated geographically about 300 yards from the State of New Mexico, we have a situation where some students cannot be housed at exactly within the McKinley County schools, and as a result have been assigned to us under a tuition agreement.

One of the components of that agreement was that federal dollars should follow those Indian children to where they are going to be educated and in fact that has not happened in the case of 874. We have not been allowed by the program to receive 874 money for those children that we are educating primarily because, and their justification is, if you accept $1 that constitutes tuition acceptance. In our case the cost of education per pupil is $1634 roughly.

The State of New Mexico has a state law that says we can only pay $1,000, and so my taxpayers are aware of the fact that Arizona taxpayers are subsidizing New Mexico children to the tune of $600-plus this year and they have indicated this is the last year we will do it unless in the wisdom of the SAFA program or the Congress there is some allowance made for tuitions transfer.

Mr. Quie. That is the first I have heard of that. We certainly should correct that to make sure the money goes where the kids are. I assume New Mexico is getting SAFA money for the kids in Arizona.

Thank you, Mr. Chairman.

Mr. **Blouin**. How many students are in this situation?

Dr. **Ross**. At the present time we have a contract for 130-some.

Mr. **Blouin**. So you are carrying a pretty heavy load in that school district. I think you have found the right subcommittee at least as a start. None of us were familiar with it. I can assure you we will get very familiar.

I have a couple of questions of Mr. Leonard. What is the state policy with respect to Indian students?

Mr. **Leonard**. We have only one state statute that deals with Indian students and that is to allow the state board of education to contract with the department 304 funds generated by the Department of the Interior under the Johnson-O'Malley program.

Mr. **Blouin**. That is it?

Mr. **Leonard**. That is it.

Mr. **Blouin**. That is the whole state lawbook on Indian education?

Mr. **Leonard**. Yes, sir.

Upon obtaining the program, then a state plan is developed,and that is explained in our testimony, that the state plan we developed of course may be—before I get into that I should explain we have two contracts in the State of Arizona for Johnson-O'Malley. One is through the Navajo Indian Window Rock and the other non-Navajo school districts. In those non-Navajo districts we have developed a plan submitted as part of our testimony that provides special educational needs and also a operational support. Under this operational support pursuant to the federal regulations these funds are submitted directly to the school districts upon obtaining the contract for those schools we are serving, five of them.

Mr. **Blouin**. Is it the state philosophy that they have no financial responsibility to Indian education?

Mr. **Leonard**. Mr. Chairman, as submitted in our testimony, it is the position that the enactment pursuant to the State of Arizona explains that requirement that the State of Arizona develop a system of public schools where all citizens of the state are such that the state has recognized that Indians are citizens of the state and entitled to the same services as all Indians of the state. The philosophies of the state board of education are similar to that mandate.

Mr. **Blouin**. On the basis of that constitutional mandate, what legislative programs are there in Arizona to meet a constitutional commitment?

Mr. **Leonard**. To provide a basic educational program for all students.

Mr. **Blouin**. How does that work?

Mr. **Leonard**. Through a formula that is explained in the package of testimony dealing with state aid appropriations for all students based on a state-supported classroom formula. That formula is quite lengthy and it is hard to explain. Basically, to meet that mandate a basic program is established dealing with education.

Mr. **Blouin**. As I understand the Arizona formula, the formula takes credit for 874 and JOM funds prior to the state contribution. It is my understanding JOM is supposed to be given only after all local and state sources have been exhausted.

Mr. **LEONARD**. That is correct. There are certain biases.

Mr. **BLOUIN**. A certain bias?

Mr. **LEONARD**. That is what our testimony is, sir.

Mr. **BLOUIN**. Mr. Myron Jones in his statement said Arizona is a mugger. Would you respond to that?

Mr. **LEONARD**. That is his opinion. I cannot respond to that, sir.

Mr. **BLOUIN**. Do you agree or disagree?

Mr. **LEONARD**. [Pause.] I cannot respond to that.

Mr. **BLOUIN**. Does Arizona have a state law that prohibits bilingual education after third grade?

Mr. **LEONARD**. No, sir. There is a bilingual law that provides $70 per student.

Mr. **BLOUIN**. What Indian programs does the state pursue in Indian education, basic education? Are there any Indian programs at all?

Mr. **LEONARD**. No Indian programs in basic education. There are only these supplementalary or categorical aid programs that are provided through federal assistance.

Mr. **BLOUIN**. So there are no basic programs?

Mr. **LEONARD**. No, sir.

Mr. **BLOUIN**. There are special programs?

Mr. **LEONARD**. No, sir.

Mr. **BLOUIN**. What do you use your JOM monies for?

Mr. **LEONARD**. As provided in the state plan, each contract in some cases a tribe has contracted for the use of Johnson-O'Malley funds directly with the Bureau of Indian Affairs and to develop an educational plan which either is in support of the basic educational program of the school district or the basic educational programs in that tribe.

In one case the Papago Tribe has contracted for such funds in cooperation with the school district in providing funds to meet that basic education. In all other districts we provide supplemental programs through the state plan for all programs that would be supplemental to the basic educational program of that school district, whether it be reservation or urban areas.

Mr. **BLOUIN**. It is my understanding that JOM supplementary is supposed to be used for special courses.

Mr. **LEONARD**. Yes, sir.

Mr. **BLOUIN**. Arizona controls all JOM monies; is that right?

Mr. **LEONARD**. No, sir.

Mr. **BLOUIN**. They go straight through?

Mr. **LEONARD**. Yes, sir. Each contract that we have beginning in 1975–76 school year is based on entitlement based on the number of students we report to the BIA. We report that number to the Bureau approximately at the end of the second school month, which they then enter into their national formula. We obtain the contract based on those numbers of students, and then we contract each school district and inform them that we have recorded certain students which are entitled to Johnson-O'Malley funds.

Those funds are then applied for by the school district and the Indian education committee, that must be established according to the regulations, completely control those expenditures and our office merely acts as statutory review dealing with finance, on budget items, provided that is not changed, except maybe line items. These line items are, of course, for statutory review.

Mr. **Blouin**. Can you give me examples of the kinds of special programs that JOM supplemental is going to?

Mr. **Leonard**. We have several in that interstate plan. We have a provision that we call an intergovernmental agreement that provides that an Indian tribal council is dealt with in the same manner as a public agency. We have such contracts with various tribes throughout the state and also Indian corporations where they develop such things as energy study programs. One is of a tribe where we have subcontracted with for the past two years in providing a work study program where they work within the school district and also obtain special interest courses or academic courses to enhance their educational areas.

We developed a media center with the Casa Grande High School District where the students are provided a class in which to develop video and audio services where they can serve both communities in the school district, the Gilo to the north and the Papago reservation to the south. These enable the students to record all other programs that are conducted in Johnson-O'Malley throughout the state. This is in the first year.

I might explain that prior to 1974 we were not able to do this because the funds were generally provided to the unmet financial need of the districts. Up until that point that was the state plan. The state plan was changed significantly in 1974, 1975, and again this year, where we are complying with Public Law 93-638.

Mr. **Blouin**. What kind of Indian input is there into this curriculum development?

Mr. **Leonard**. The Indian input comes at two levels. Each contract with the Johnson-O'Malley requires an Indian education committee. This is a little bit silent in terms of the state contract where it involves many tribes and many organizations and many school districts.

Mr. **Blouin**. What do you mean 'a little bit silent"?

Mr. **Leonard**. In terms of dealing with a contract with the state board of education. We have in the regulation that the education committee must be composed of parents of students having served for a time in our committee or a Johnson-O'Malley committee or some Indian advisory board. Based on that, the state Indian education committee was established and they assist us in developing first the state plan, the goals of the state plan, and later on delegating that same authority down to the local committee based on the rules and regulations.

These local committees of course are widespread. We have approimately 200 school districts that are eligible. We have 150 that have participated in the Johnson-O'Malley program that have significant input in the local programs. At the state level we are now in the process of working closely with the state board of education and the department of education.

Mr. **Blouin**. One more question for Dr. Ross. Doctor, do you have any response to the statement that Arizona is a mugger?

Dr. **Ross**. Personally?

Mr. **Blouin**. Professionally.

Dr. Ross. I look at a finance or a taxation program or a state funding distribution system and if that system in effect violates the equal protection clause as it treats its own citizenry, then I think that question that is being posed is one of extreme significance.

As most school administrators, it is difficult coming from an institution of higher education that treats school finance in one 3-hour credit course as personnel and a number of other issues, and as the chief educational administrator for the Window Rock School District, it is also extremely difficult because you are not a true educator in the sense. You are a pseudo major with housing problems, transportation problems, and everything else. So it is difficult to go in and dig out what is and is not in fact true as you equate things to the legal standards.

I would surmise and assume that given sufficient time the documentation and the reaction of the judicial department would issue an answer to the question of whether or not Arizona is a mugger. [Laughter.]

Mr. **Blouin**. Dr. Ross, you ought to run for office. I think you could get elected. I am going to yield to Mr. Kildee.

Mr. **Kildee**. I am going to read that statement in the transcript. [Laughter.]

Mr. **Blouin**. I do not think it will do any good.

Mr. **Kildee**. I can appreciate the nature of your answer, however.

Dr. Ross, from all sources how much per student is spent on students in Window Rock schools?

Dr. Ross. From all sources?

Mr. **Kildee**. Traditionally in most school districts you have local sources, state and federal. How much per student ——

Dr. Ross. We are operating at $1,634 per student.

Mr. **Kildee**. How much per student would, say, a high school in Tucson be spending per student?

Dr. Ross. I would have to yield to Terry.

Mr. **Leonard**. Approxmately $900, sir.

Mr. **Kildee**. About $900?

Mr. **Leonard**. I would say so, yes, sir.

Mr. **Kildee**. Which would be low compared to the state I am familiar with. So the difference then between $900 and $1,634 would be basically from just Federal sources?

Dr. Ross. Yes, sir. The increase in that per student cost primarily is derived from the fact that in order to entice teachers to a rural area, school district must be somewhat compatible in terms of staying at least at the average or above average in paying teacher salaries. In addition to that, because of the trust status of the property surrounding the school district, there is relatively no place that one can go purchase a home.

With some of the inequities we have experienced in terms of providing housing in the HUD programs and others, the time delays, there really is not any housing available for teachers. So if you are to run a school, you have to provide some sort of housing accommodations and the expenditures of those funds detracts from your educational program.

Mr. **Kildee**. So your personnel costs per teacher would be higher than ordinary?

Dr. Ross. Yes.

Mr. **Blouin**. Thank you very much. We appreciate your being here.

Our next witnesses, again in the form of a panel, are Mr. Dillon Platero and Sister Cooper.

STATEMENTS OF DILLON PLATERO, DIRECTOR, NAVAJO DIVISION OF EDUCATION; SISTER KATERI COOPER, DIRECTOR, PAPAGO TRIBE, EDUCATION DIVISION; ANTONE M. CHICO, AND CLIFFORD A. PABB, SCHOOL BOARD MEMBERS

Mr. **Blouin**. Mr. Platero is the Director of Navajo Division of Education. Sister Kateri Cooper is the Director, Papago Tribe Education Division.

Sister **Cooper**. I would like the two school board members to sit with me up here.

Mr. **Blouin**. We have no objection to that, Sister.

Mr. Platero, why don't you proceed with your testimony, then we will move to Sister Cooper. We would appreciate it if you would summarize your testimony.

[The prepared statement of Mr. Platero follows:]

Prepared Testimony by Dillon Platero, Director, Navajo Division of Education

ABSTRACT

The public schools on the Navajo Reservation have suffered considerable inequity, especially in Arizona. Not only have these inequities resulted in the graduation of poorly-educated students, but threaten the continued existence of public schools on the Navajo Reservation. Similar conditions also affect public school vocational programs. The most immediate jeopardy is the continued need for accumulating deficit spending on the part of public school districts, resulting in recurrent financial crises.

These inequities have been built into the funding guidelines and laws of the states and are most manifest in Arizona Reservation schools of Chinle, Ganado, and Window Rock. These are classified as elementary schools and are funded less than high schools. This is true despite the fact that they teach high school courses and have high school enrollment. Partly as a result, Federal PL 81-815, PL 81-874, and Johnson O'Malley (JOM) funds are underappropriated at the State level. Vocational educational funding formulas discriminate against rural, poor, underdeveloped areas such as those on the Reservation.

Funding policies arising from the Federal Government lend further to underfunding. There are no measures to prevent states from the above abuses. At the same time, there is pressure for JOM funds to be limited to non-operational costs.

Bureau of Indian Affairs policies have caused overcrowding of public schools through policies relinquishing educational responsibility for all Indians to the states. This is contrary to Treaty obligations. Also, no arrangements have been made to allow public schools to use the better-funded Bureau facilities and operations, despite the fact that some BIA facilities are vacant and idle.

Finally, Reservation conditions further aggravate present inequities. Among these are extremes in weather, poverty, rural isolation of facilities, cultural differences and concomitant special programs required, and the long history of student deportation to distant urban centers for specialized training.

Recommendations are of two broad sorts. (A) Appropriations of JOM, 874 and 815 funds should be increased to cover operational maintenance, construction and operation costs, and other appropriations made to erase deficits. (B) Support should be given to Tribal agencies which can advocate restructuring of the present system. Restructuring will include negotiation of changes in state funding formulas in order to delineate responsibility better; support of Tribal initiative to coordinate shared use of existing BIA public school facilities in vocational education and other operations; and support of Tribal initiative in comprehensive planning of coordinated effort.

PUBLIC SCHOOL EDUCATION NEEDS ON THE NAVAJO RESERVATION

0. Introduction

Unhappily, the bulk of this discussion must point out the needs, deficiencies, and impending disaster facing public schools on the Navajo Reservation. These problems arise from general causes such as (A) state-level neglect of Reservation districts and lack of Federal restrictions on these practices, (B) the conflict between the Bureau of Indian Affairs' policy of relinquishing Indian responsibility to the States *vs.* educational obligations stipulated in the Treaty of 1868, and (C) general policies of Federal funding practices which result in disastrous delays and thus the impossibility of planning.

Remedy to these problems does not lie either in reform of Federal funding systems or in the simple increase of funds alone. As shall be demonstrated, much of the remedy also lies in the Federal support of local educational agencies (LEAs: here, the Tribal Division of Education or proposed Department of Education) who are in a better position of advocacy for local communities in need. This route will (A) provide for coordination and thus better allocation of, existing funds, and (B) allow more efficient use of additional funds, as they are required.

In the following sections, the above will be elaborated upon by discussion of the *operational* (or basic) *funding* of public school academic programs and facilities maintenance, and of vocational education resources. Other aspects of public school effort, such as special education, are very important, but their funding through Title VI funds is more direct, certain, and subject to other funding and advocacy strategies. Vocational education and public school finance are also conditions of greatest need and concern.

In the following sections, then, these subjects will be discussed:

A. The problems of state-level public school support

B. Difficulties of federal-level support

C. Conditions peculiar to the Navajo Reservation Area

D. Suggestions for the remediation of these.

1. State-Level Difficulties

1.1. Immediate Problems: The Symptoms

In Arizona especially, three immediate problems have arisen which literally jeopardize the very existence of Reservation public schools. These are (A) large-scale deficit spending, (B) overcrowding of present facilities, and (C) paralysis of school facilities planning.

Because of (A) especially, schools such as that at Chinle have gone into debt in excess of $2 million, have exhausted their bonding and taxing capacity, and exhausted their ability to issue warrants (i.e., promisory notes used in lieu of regular checks). In one case, the school district forced a tax of $0.60 on each dollar assessed valuation on the industry in the area. These industries then took the issue to court and enjoined the taxation. While the resulting crisis situation was alleviated by emergency BIA funds, deficit spending is still a probability, and a confrontational syndrome may arise in which school districts will resort to high taxation and court litigation simply to procure emergency funding.

The following table illustrates the indebtedness of the Arizona public schools on the Navajo Reservation.

Table I

Cumulative School District Deficits

Districts	Actual 1972-73	Actual 1973-74	Projected 1974-75	Projected 1975-76
Chinle Elementary	$---	$579,653	$1,000,000	$3,000,000
Ganado Elementary	758,487	931,817	2,000,000	6,000,000
Kayenta Elementary	29,397	312,777	500,000	1,500,000
Monument Valley H.S.	191,262	256,813	500,000	1,500,000
Puerco Elementary	---	---	---	---
Tuba City Elementary	---	84,176	250,000	750,000
Tuba City High School	---	118,949	250,000	750,000
Window Rock Elementary	---	---	250,000	750,000
TOTALS	$979,146	$2284,185	$4,750,000	$14,250,000

In some cases, overcrowding has reached 700% of capacity enrollment, as at Window Rock, and 300% at Chinle.

Planning of facilities has been haphazard so that in many cases temporary buildings are used and more permanent facilities have had to be built hurriedly, with little regard for local climatic conditions. The result is buildings which are poorly inspected and poorly built by subcontractors, with high maintenance costs. Since maintenance in part of the budgeted operational costs of each school district, there is less available for academic and vocational endeavors. As shall be seen, this is due less to poor local administration than underlying state- and county-level policies, especially in Arizona.

1.2. Underlying Difficulties

The causes of the above lie in state allocation procedures, special conditions of the Navajo Reservation, and Federal guidelines. Arizona manifests the worst symptoms, but the conditions exist elsewhere as well.

1.2.1. Arizona: County- and State Funding Discrepancies

1.2.1.1. Elementary School Funding for High Schools

The Arizona portion of the Navajo Reservation lies in three counties: Apache, Navajo and Coconino. Of these three, Apache County manifests the worst symptoms, partly because its assessed valuation is less than the others. The following tables further illustrate the funding inequities.

Table II

Assessed Valuation (AV), 1973-74

	Total AV	ADA	AV/ADA
Chinle Elementary	$ 6,553,191	3,012	$ 2,175
Ganado Elementary	7,177,135	1,406	5,104
Kayenta Elementary	14,743,280	920	16,032
Puerco Elementary	6,292,092	577	10,898
Tuba City Elementary	1,054,425	1,444	730
Window Rock Elementary	5,373,648	2,202	6,230
TOTALS/AVERAGE	$ 41,193,771	9,561	$ 6,230
Arizona elementary			$13,828
Apache Co. elementary	$ 42,645,133	8,474	$ 5,033
Coconino Co. elementary	$167,753,784	9,284	$18,069
Navajo Co. elementary	$103,697,113	8,016	$12,936
Monument Valley High School	$ 14,743,280	467	$16,032
Tuba City High School	1,054,425	534	1,974
TOTALS/AVERAGE	$ 15,797,605	1,001	$ 9,003
Arizona High School			$33,267
Apache Co. H.S.	$ 42,645,133	756	$56,400
Coconino Co. H.S.	$162,279,680	3,986	$40,715
Navajo Co. H.S.	$101,798,912	3,642	$29,408

Table III

Enrollment and Building Evaluation

School System	Enrollment	Schools	Value of Buildings
Chinle School District	4,295	7	$ 7,465,000
BIA Chinle Agency	2,800	6	29,125,000
Prescott School District	4,228	7	50,000,000+

*from Roessel, "Materials Presented at Senate Subcommittee on Indian Affairs Hearing December 11, 1974".

Table IV

Comparative Salary Index

Year 1974-75 Position	Window Rock	Ganado	Chinle	Kayenta	Tuba City	Arizona Average
Beginning Teachers	7,400	7,400	7,400	7,600	8,050	8,100
Bus Drivers	5,346	6,191	3,920	4,410	5,700	7,840
Head Cook	5,551	5,510	4,500	3,800	4,750	5,550
Janitors	5,088	4,542	4,160	3,920	5,136	5,890
Maintenance	4,312	4,542	4,100	4,410	5,136	6,300

In Apache County, these inequities are based primarily on a legal artifact by which all Navajo Reservation school districts are classified as elementary school districts. Although they serve high school students and teach high school courses, they are not funded accordingly. The one high school in Apache County is located in St. Johns, nearly 100 miles to the south. Taxes for the support of the St. Johns high school are levied for 60% of assessed district revenue on the Navajo Reservation, but none is returned. Thus, Chinle, Ganado and Window Rock school districts are funded as elementary school districts offering high school curricula.

The magnitude of the discrepancy illustrates the effect of this legal artifact on a statewide basis and supports the contention that Arizona is the worst offender. Statewide, Arizona provides 45% of each school's operational funds, while only 26% for on-Reservation schools. New Mexico has supplied 80% and requires an additional county levy based on each schools' ADM (i.e., Average Daily Membership). For transportation, Arizona provides 30% for each school's outlay statewide, and only 20-22% on-Reservation. New Mexico provides 100% for all its schools.

Another major effect of this lack of unification in Ganado, Window Rock, and Chinle is that they have only a single, rather than dual, bonding capacity.

1.2.1.2. Vocational Education

In vocational education Arizona allocates Federal Part B entitlement funds (i.e., 80% of all federal dollars allocated to all states) by the sum of a factor based on need and a factor based on effort. As stated in the

Rj Associates, Inc. Report (1976), higher emphasis on need results in fundamental inequities.

> The most unusual phenomenon in the Arizona formula is that the counties serving the reservation receive more funds based on effort than the amount they receive based on need. It is ironic that counties in which the school districts are facing major financial crises are receiving more for effort than for need. (P.3).

Regarding the need factor, six criteria are used to determine it.

A. Total population

B. Families with less than $3,000 a year income

C. Unemployed persons fourteen years of age and over

D. Number of persons employed

E. Persons fourteen to seventeen years of age not enrolled in school

F. High school enrollment

These need criteria themselves contribute further to the inequities on the Navajo Reservation.

A. By using total population instead of the 15-19 year old population (as does the Federal formula) the amount received by counties with large secondary school populations is reduced.

B. By using Employment Security unemployment figures, rural counties with fewer people participating in the work force are further kept from such participation.

C. By using the Number of Employed Persons, Arizona is counting the available jobs for trainees. Unhappily, this penalizes those students who are not near available jobs and thus also prevents the coming of available jobs, since nobody develops where there is no labor pool.

D. By using their data for "persons 14-17 years old out of school" the complex nature of Navajo inter-school system transfer and dropouts is not appreciated.

The county effort criteria supply still further inequities. Effort criteria are based on:

A. Vocational Enrollment

B. Vocational Expenditures

C. Average Tax Rate

Clearly, this works against counties (and districts) with low tax bases. Also, PL 81-864 (impact aid) funds are not condidered in lieu of these taxes. With lower vocational expenditures and enrollment, the inequity is further aggravated.

Finally, discretionary funding from Part B entitlements for disadvantaged, handicapped, and initiation of new programs is further depleted.

In New Mexico, an equalization formula has cured many difficulties. However, it still carries with it two major drawbacks.

A. Federal funds, allocated for specific purposes, are used as if they were state funds.

B. Poor districts still lag in being brought up to par in funding.

2. Federal Difficulties

It is difficult to separate Federal and state because of the former's support in three important capacities.

A. PL81-815 Emergency Construction Funds
B. PL81-874 Impact Aid
C. Johnson-O'Malley (JOM) Funds

In all these forms, funding problems involve delays, failure of appropriation, and under-funding. In addition to support capacities, the Bureau of Indian Affairs and its facilities are important here.

2.1. Support Funding

2.1.1. PL81-815

These funds were designed to support (in lieu of taxes) rapid facilities expansion in response to the establishment of military bases. In 1953, eligibility was expanded to include Indians. Three adverse effects result. First, with 815 funds including Indians, other funding was discontinued under the assumption that 815 funds took care of these needs. Actually, they have not. Second, authorized amounts have either been not appropriated, or at best under-appropriated. Third, delays of actual funding of 3-5 years after application have disrupted planning and contributed to underfunding because of the effects of inflation.

It is worth noting that these 815 funds have been far below what BIA receives for school building. In one example, a proposed BIA high school was provided nearly $14 million while Chinle was afforded only $1.3 million.

is not to say that the Bureau of Indian Affairs should not have the money; parity is the issue.

2.1.2. PL 81-874 and JOM Funds

PL 81-874 funds too are impact funds used to provide for operational costs of schooling. Problems in this funding are similar to those discussed in 2.1.1. above.

JOM funds were originally allocated according to a deficit funding formula which comprised the remainder of any projected expenditures after available local, state and 874 funds were subtracted. A sketch of the formula looks like this:

JOM = Projected expenditures - (Local + State + 874)

With a change of policy to per capita funding formula, the predicted schedule of funding became disrupted. Also, Congress has attempted to relegate JOM funds to non-operational, non-basic needs. This cannot be afforded by on-Reservation schools. Similarly, recent delays in granting and in negotiations have aggravated deficit spending because state funds cannot be spent in anticipation of any special funding. Thus, hiring of personnel, special buildings, materials acquisition--and the whole educational operation--are delayed and disrupted.

In sum, it appears that for a brief period of time, JOM and 874 funds were sufficient for basic school operation. They no longer are, and cumulative deficits have been the result.

2.2. Bureau of Indian Affairs

Recent BIA policy has aggravated the plight of public school operations for two reasons. First, they have attempted to relinquish educational responsibility to the states. Second, they have kept use of facilities and other resources to themselves.

2.2.1. Relinquishment

It has long been recognized that the Bureau is relinquishing its educational responsibility to the states. This is manifested in (A) closing down of small rural schools, (B) consolidation of effort in large boarding schools, and (C) estimated enrollment at 60% capacity. At the same time, the Bureau has a treaty-based obligation to provide these services. The result has been a failure to establish explicit policy on the limits or scope of their responsibility.

In response, the public schools have established a series of consolidated schools with bus routes as long as 160 miles round trip. Nevertheless, enrollment is overflowing all facilities and present expansion cannot keep pace with the sudden population growth.

2.2.2. Failure of Coordination

At the same time, some BIA facilities stand empty. While it is difficult to determine whether or not some of these remain closed because they do not meet Federal building and maintenance standards (and thus were poorly constructed to begin with), some can doubtlessly be shared with the Public schools systems. This is being done at Chinle and research is presently under way to determine its feasibility elsewhere.

2.3. Vocational Education

The Bureau's vocational education suffers primarily from a lack of direction from the top. Duplication at all levels and competition for students is the result.

2.3.1. Post-Secondary Voc Ed

Previous policy was to transport trainees to far-off cities. Now places such as Haskell and SIPI are the recipients. However, services are duplicated and there is competition for students.

2.3.2. Secondary Voc Ed

Facilities are available at Wingate and Manyfarms, but suffer from the same difficulty as the public schools: no one installation can afford adequate facilities for a comprehensive program. Since no inter-school coordination is presently under way, lack of services or costly duplication are the only alternatives.

3. Aggravating Reservation Conditions

Conditions proper to the Reservation have made many of the present inequities work even worse toward the Navajo student. Some of these are related to the following.

A. Poor roads have resulted in costly maintenance for buses and aggravate problems identified with a predominantly rural environment.

B. Climatic extremes cause rapid deterioration of existing paved survaces and buildings. This is further aggravated, especially in Arizona, by the tendency to design buildings for the warmer climates of Phoenix and Tucson.

C. Rurality implies lack of services ordinarily taken for granted in other areas. Included here are teacher housing, costly bus maintenance, and lack of urban extracurricular environment for students.

D. Language and cultural adjustment underscores the need for more bilingual and other compensatory education programs. These are presently not being delivered in extent sufficient to meet federal requirements, especially in Arizona. Similarly, greater need is felt for specialized guidance counseling.

E. Accumulation of deportation effects. Because centers for special education services, vocational training, and economic development have been located far from the Reservation boundaries, there has been a lag in developing these services on-Reservation. Thus, the program infrastructure for innovation has not been fully developed.

F. Poverty has been manifest in the relatively low assesed valuation, low involvement in the labor pool (as opposed to unemployment of trained labor), and in difficulty for students to participate in extra-curricular activities. Arizona's requirement that students at the high school level buy their own textbooks further aggravates this situation.

4. Recommendations for Federal Responses

It is hoped that long-range and short-range goals can be combined effectively in these recommendations. As mentioned in the introduction, the point is not to solicit more funds alone. There is no longer a point either to having to demand that the states come up with their share, or begging from the Federal Government to relieve recurrent financial crises. Nevertheless it must be recognized that some sort of federal support is needed. Second, attention and support must be given to local efforts strengthening those advocacy agencies which can better mobilize and coordinate existing resources and future funds. The recommendations can thus be divided into (A) direct financial support, and (B) support in thc Tribal advocacy's efforts to restructure the present situation.

4.1. Direct Support

A. Every effort should be made to remove current budgetary deficits and present future ones.

B. Proposals should be developed for Congressional action to increase appropriations in JOM and other present funds.

4.2. Support of Advocacy for Restructuring

A. The Federal Government should assist the Navajo Division of Education (NDOE) in its efforts to assume administration of JOM funds, and perhaps other funding sources as well.

B. The Federal Government should assist NDOE in efforts to coordinate funding between the Bureau and the states, especially in regard to secondary vocational education.

C. The Federal Government should assist NDOE in developing legislative action regarding revision for state funding of facilities special appropriations, and vocational education.

4.3. Assistance in Planning

The Federal Government should assist the Navajo Division of Education in comprehensive planning, especially in regard to the following:

A. Funding Formulas should be negotiated and jointly accepted for delineating funding responsibility at local, state, and Federal levels.

B. Comprehensive Planning: NDOE should be supported in a long-range move to coordinate Navajo educational efforts.

5. Conclusion

We sincerely hope that the Federal Government can support NDOE's efforts to improve the quality of education on the Navajo Reservation. As we have shown, the needs for these efforts is hardly unfounded.

A. Facilities are grossly inadequate both in their availability and quality. We are short of gymnasium, vocational, health and classroom facilities. Arizona is the worst offender in all this, and Chinle is the most inadequate facility of them all.

B. Funds for programs are inadeuqte in quality and quantity. Of our graduating seniors, 85% are at the 9th grade level or lower--these are the effects.

Had we been a Black or Chicano community, this situation would have been corrected long ago. As it is, things are only getting worse.

Mr. Platero. Thank you very much.

In addition to my testimony I would like to also present for the record Vocational Education on the Navajo Reservation, Present Status and Future Direction.

[Information kept on file.]

Mr. Platero. In addition to that I would like to present also for the record Survival of Public Schools. This is on the Navajo Reservation.

[Information kept on file.]

Mr. Blouin. We may have to reserve judgment on whether we can print that much in the record. We may have to print an abbreviated version of it for cost purposes. We will check it with the full committee and act accordingly.

Mr. Platero. That is fine.

One of the areas that we are really concerned with on the Navajo Reservation is that we have 60,000 Navajo students, the larger percentage being in the public schools. We are very concerned about the equal education opportunity of Navajo students. By that I mean in terms of funding, in terms of the facilities that they have available to them.

The comparison is that the Bureau school might be funded at a higher level, for instance, and Bureau facilities might be that of costing maybe 50 or 754 percent more than maybe some public school facilities, so that we may be talking about $3,000 for a student in a Bureau school and possibly about $1600 or $1800 for students in the public schools.

When I speak of these inequities I think it has an effect on the Navajo students. In the last 20 years I have been hearing that the Navajo student when he graduates from high school is at a fifth-grade level. We are saying now that more than 85 percent of the Navajo students who graduate from high school today are at the ninth-grade level or lower, so I am sure that this has an effect on the students' performance.

We have the JOM monies, we have the 874 monies. I think some of the public schools have been requesting maybe about $1 million. They get approximately $500 or maybe about 50 percent of what is asked for. I think the state plan, the formula, simply does not help in the State of Arizona. Basically I think in areas such as the Navajo Reservation, where you do have low assessed valuation and the property being in trust, I think this is another difficult area which may have a lot to do with the funding that it might generate. I think the lack of cooperation of the Bureau to some extent with the public schools to use facilities that are not being used is an area which should be addressed. I think there are facilities which the Bureau of Indian Affairs has that could be used by the public schools, and in a lot of cases I think we begin to duplicate, you have a public school right next to a Bureau high school, such as the situation that is beginning to show in the area of Ship Rock. You have the central consolidated school; it has a high school there and right next to it there are facilities which were not used for several years. The facility is to be turned into a high school, so you do have again duplication in this way. I think there should be a way in which all of this is coordinated so that the monies that are going to Navajo can be utilized in such a way that it benefits the students.

The only other point that I would like to make, and I think I touch upon this in my written testimony, is that the situation is not getting any better in terms of facilities, in terms of funding the overall program, but getting worse, to put it very bluntly.

What are the solutions? I think the solution may be some sort of a coordinating effort on a total reservation education system—to really have a group over here who is pretty independent as the public schools, and then you have the Bureau schools again which I think are pretty much doing what they want to do and the contract schools, again, although they are administered by Navajo people and Navajo school boards and private institutions—so that you do not have a system which might not be coordinated.

To give you an idea—and I touched upon this in my written statement—on vocational education, you have about 2,500 Navajo students graduating from high school each year, approximately 600 of these high school graduates find their way to colleges, to postsecondary education and vocational education, or on the job training. What happens to the 1,800? The other 1,800, in most cases, 90 percent do not have any skills with which to obtain a job. That

1,800 each year adds to the 50 Navajo people out of 100 who are unemployed, so they join those ranks.

I think one of the reasons again is going back to the funding, states may be funded for a vocational education, but I think based on the formula we can only get so much; if you can generate only so much money, I think the less amount of money you can get.

On the other hand, if a school system like Scottsdale can generate a great deal more funds, they get more money. So at least I think with the Vocational Education Act, which has been amended to include Indian Tribes to be funded directly, we are taking advantage of this, and getting involved into the education efforts directly.

I think these are some of the areas, not to mention that you have the grade 9 level and lower, you have the 1,800 kids who are unskilled and will be joining the unemployed.

I think these are some of the recommendations of the kind of system we have.

Mr. Blouin. Sister Kateri Cooper, you may proceed.

STATEMENT OF SISTER KATERI COOPER, DIRECTOR, PAPAGO TRIBE EDUCATION DIVISION

Sister Cooper. I am going to stick definitely to what we said here.

The Pagago Tribe has contracted with the BIA for the operation of the JOM Act program for the 1977 fiscal year. Under the program, the following programs have been funded:

Basic Aid operational support for the Indian Oasis School District, $173,500;

Math Project, Indian Oasis Schools, $51,025;

Early Childhood Program, Sells, $32,370;

Early Childhood Program in cooperation with Gila Bend School District, $25,000;

Early Childhood Program, Sif Oidak, $45,216;

Media Centers, Topawa, San Xavier, Pisinino and Kaka, $32,500

JOM Administration, $26,746, for a total of $386,357.

Under the current operation, major problems have been encountered which we believe could be resolved through changes in the JOM regulations. Some of these problems are mentioned.

In dealing with the public school district, it has been necessary to work both under State and Federal regulations. The two are not harmonious. The difficulty alone of transferring basic support funds to the District from the Tribe's JOM program has taken action by the Attorney General, County Board of Supervisors, State Board of Education, County Superintendent, along with the Tribal Council and the BIA. The transfer of funds has taken months to consumate and an unlimited man hours of administrative time.

The transfer of funds between budget items to better meet the needs as the programs progressed has been difficult and time consuming. This problem has been magnified in not knowing the amount of funds that would be available at the beginning of the fiscal year.

Based on the needs of Papago Indian children in concert with the organizations that serve these children, the Papago Tribe recommends consideration of the following changes in JOM Act regulations:

1. Establish an entirely separate administrative unit under JOM or appropriate Federal authority to implement and distribute basic aid funds to eligible public school districts.

Under present policy, the BIA is phasing out all funds for basic aid in favor of supplemental program aids. [See separate document of the critically needed continuance of basic aid for the Indian Oasis School District.] This policy must be reversed. We believe a separate unit should be established to define eligibility, set standards and distribute funds.

The Congressional mandate found in Public Law 93-638, Title II, section 203(2)(A) said,...."When necessary, to provide general operating expenditures to schools and school districts educating Indian children". We do not believe the effect of the loss of general operation funds has been adequately research and reported to the Congress.

2. The distribution of funds under this proosed basic aid unit should distribute moneys under the Federal grant concept followed by other Federal aid programs.

The program under Public Law 874, as amended, is a prime example. The funds are provided directly to the school district. This is harmonious with all State education regulations. It is the most efficient administrative method to deliver the funds to the unit intended and for the purpose authorized by Congress.

The contracting concept used in JOM reflects an earlier Government paternal policy towards Indians; namely, that of buying a service for Indians. The grant concept reflects more adequately the present Government policy toward Indians expressed in the Self Determination Act, Public Law 93-638.

It is further recommended that funds distributed under this proposed unit (1) bypass the State, and (2) bypass the BIA areas. The State in other Federal aid programs are kept informed of all transactions but are not involved in the delivery of funds.

3. In the justification of basic aid general education funds for public school districts educating reservation Indian children, eliminate minimum State standards as a goal in the level of funds to be provided.

The needs of Indian children have been shown to be much greater in comparison to "average" children in State populations, hence, a greater effort is warranted. Funds should be provided to develop programs that equal standards pursued by the regional accrediting associations.

4. Eligibility criteria for basic aid should include a local tax effort that is equal to the State average rate for similar type school districts.

This was followed in the BIA administration of the JOM program from 1953 until 1975. It was fair to the taxpayer and to the Tribe. Excessive tax rates on the improvements on Indian lands inhibit industrial developments desperately sought by most Tribes.

5. Provide funds for on going early childhood education programs under the proposed JOM basic aid unit instead of treatment as a supplemental program.

The Papago Tribe, in testifying and meeting with Members of Congress, rated the need for a stable source of funding for early childhood education programs as the second greatest education need.

Priorities are: (1) Indian Oasis classroom construction, and (2) early childhood funding.

Construction of a new early childhood education center at Sells will be completed in October, 1977. A way must be found to fund the operation of this new facility adequately. The provision of JOM Act supplemental funds on a per capita basis will be totally inadequate to operate this new facility along with the three other existing early childhood centers.

6. Use the same grant concept instead of the contract method of providing funds to Tribes for other supplemental programs.

If the grant concept were followed, administrative time and effort would be immensely simplified. Changes in line items in budgets would be accomplished by letter authorization, eliminating the unnecessary involvement of procurement personnel. It would not eliminate the need of program and fiscal audits. It would enhance the desirability of monitoring on the part of Federal officials.

In the language of a Papago Parent Committee urging the development of a program in their village, we close with "thank you for listening".

[The appendix to Sister Cooper's statement follows:]

CONTINUED NEED FOR JOHNSON O'MALLEY ACT BASIC SUPPORT FUNDS

Indian Oasis School District
Sells, Arizona

The Indian Oasis School District covers the entire Papago Reservation located in Pima County in Southern Arizona. The current average daily membership (ADM) is 1,027, of which 97.8% are Papago Indian children. The District operates 2 elementary attendance units and one high school.

The Indian Oasis District has the lowest per capita assessed valuation in comparison to all other public school districts in the State of Arizona ($789 per student in ADM - state average approximately $15,000 per student in ADM). The District can raise between 1% and 2% of its operating costs from local tax sources. Thus the District is almost wholly dependent upon funds from outside the District for its basic operation and maintenance costs. These support funds are provided from County, State and Federal sources.

The following table shows the extent that the District is dependent on Federal funds to meet Operation and Maintenance costs (1976-77 are estimates).

AMOUNTS & PERCENTAGE OF OPERATION COSTS
SUPPORTED BY FEDERAL FUNDS

	JOM Amount	% of Budget	PL-874 Amount	% of Budget	Special Programs	% of Budget	Total Federal Funds % of Budget
1973-74	$275,033	20%	$420,357	30%	$165,397	11%	61%
1974-75	309,833	19%	442,291	28%	275,022	17%	64%
1975-76	400,000	21%	227,067	12%	348,490	18%	51%
1976-77	240,600	10%	702,660	28%	523,908	22%	60%

School construction needs in the Indian Oasis District are seriously affecting maintenance and operation costs. At present the District is renting 16 trailers to provide classroom space. The old school building at the elementary attendance unit at Topawa has been condemned. To meet this need, a further drain on regular school operation funds is imminent.

Johnson O'Malley Act funds for basic support are vital to the continued operation of the public schools in the Indian Oasis School District. The decision of the Bureau of Indian Affairs to phase out JOM Act funds for basic support is ill advised; and is resulting in a serious budget deficit for the current year. The deficit will become even more critical in each successive year. Under the current program of the BIA to phase out JOM basic support funds, only $110,000 is estimated to be available for the coming school year.

The obvious effect is the return to high teacher-pupil ratios and the inability of the district to provide a critically needed quality education program to the Indian children. Based on standardized tests, only recently have Papago children begun to achieve on a par with other Indian and non-Indian children in the state. This can be attributed to the pre-school programs and the concerted effort of the schools to develop quality education programs.

The BIA policy change to phase out basic support aid is being executed without either careful or cursory study of the effect on at least a few unbelieveably "poor" school districts. Neither has the effect been reported to the Congress as mandated in P.L. 93-638, Title II, Sec. 203 (2) (A), which said, ... "When necessary, to provide general operating expenditures to schools and school districts educating Indian children".

JOM general education support funds are necessary at the Indian Oasis School District serving the Papago children.

In summary, the urgent need and request for basic support funds for the Indian Oasis Public School District are based on these factors:

(1) The School District is the "poorest" district in the State of Arizona based on per capita assessed valuation.

(2) The School District is dependent on Federal aid funds for more than one-half of its operating costs.

(3) The critical lack of classroom space forces the District to spend an undue proportion of its operating funds for the rental and maintenance of 16 trailer portables.

(4) An old school building at Topawa has been condemned, meaning that additional portables must be leased or purchased (a further drain on operation funds).

(5) Based on standardized tests, Papago children are just beginning to reflect the beneficial effects of preschool programs along with concerted efforts to upgrade the quality of education for the Indian children.

(6) Johnson O'Malley Act funds have been the only flexible source of Federal aid funds available to the District in the past (amount provided has been based on need). The BIA policy decision to phase out JOM basic support is seriously handicapping the District and we believe is contrary to the intent of Congress which said (in P.L. 93-638), ..."When necessary, to provide general operating expenditures to schools and school districts educating Indian children".

(7) JOM (or an alternate source of) Federal aid funds in a minimum amount of $350,000 are urgently needed by the District for general operating expenses for the 1977-78 school year.

Mr. Blouin. Thank you, Sister.

I have a question on your point 4 just for clarification.

It dealt with equal local tax effort. Could you clarify that for me? Are you talking about one way or the other raising some dollars locally, whether it's Indian land or not?

Sister Cooper. Within the reservation as all reservations there is low assessed valuation.

Mr. Blouin. Even on the taxable land? Is that what you are saying, on the reservation land; it is not taxes?

Mr. Chico. They are from the state point just like the mines are taxed by the state for the schools which go off the reservation and our tax, it is very little in our school district, but about three miles away from that school district there is a big mine, and this tax wealth goes into Casa Grande off the reservation.

Mr. Pabb. I think what we are basically saying is trying to establish a uniform tax assessment that will encourage industry into the reservation as opposed to it staying out as it does now occur on many Indian reservations because of the high tax assessment.

Were it to come in, I believe one of the gentlemen this morning mentioned that we need a uniform tax formula that will at some point give maximum tax dollars to the educational system, and yet will assure the industry that they will not be overtaxed for coming onto the Reservation and will as such encourage more industry to enter the reservation.

Mr. **Blouin**. You are saying there is a higher tax for industrial development on reservations than there is for the same development off reservation?

Mr. **Pabb**. No; what I am saying is because there is less industry on the reservation that they take the brunt of the tax assessment, whereas on our reservation mining is our main source of tax, plus, of course, the utilities. We have three major companies that we can tax and they pay the bulk of the tax.

Of course, our mines—and this is one of the points that Mr. Chico was trying to make—is that for a school district such as ours where the student, the tax assessment for the student, is based at $800, we are the lowest in the State of Arizona, and yet, uniform to that directly northwest where one of our mines is located, it is in a different county, totalled with the tax dollar that goes off from our mines with an economy of that particular school district, the average assessment value of the student is $1,500, and that is quite a discrepancy for Indian children within the same area to try to enact any kind, to try to make uniform any kind of tax base that you are going to operate under.

It's very difficult to say to Indian Oasis how to assess that we could at some point say we were going to assess on the exact tax dollar and not be able to say where that tax dollar was going to stop,and that is one thing that discourages industry.

Sister **Cooper**. You see, the Papago Reservation is composed of different districts. Indian Oasis School is within the Pima Council where the mine is situated, so it goes into Pima County. In the future there would be another mine opening, then that is in the Standfield district, which the tax would be going off the reservation into the Stanfield schools, and there is another district which is unorganized as of yet. That would be within the Maricopa district, so the Pima County, where the main population is, does not benefit by the mine.

We started talking about making it as a Papago district, but I guess they went on and voted already and took care of it. The State took care of it ahead of us.

Mr. **Chico**. With very little say on our part.

Mr. **Blouin**. The phrase "took care of," I bet they did.

One other point: Under point 3 the justification of basic aid for public school districts educating reservation Indians, you want to eliminate the minimum state education standard as a goal. Staff tells me the JOM statute says the goal should be no less than the highest in the state.

Are you saying in Arizona they have interpreted that as minimal state standards?

Mr. **Chico**. I think you are talking about the bare minimum. Just like I think Ken Ross testified before, they are not talking about maximum or real high quality education, they are talking about minimum standards. They just get you by, maybe so you can survive with just a little, but as it stands now our students are not qualified to enter.

Mr. **Blouin**. You are talking about in terms of dollar flow by minimum standards; you mean that it's based on the average per pupil cost and that is the goal, not taking into consideration what the Indian per pupil cost is. Is that right?

Sister **Cooper**. Yes.

Mr. **Blouin**. That it ought to be based on an Indian per pupil average and not on a composite of all.

Mr. **Chico**. Yes.

Mr. **Blouin**. Mr. Platero, would you advocate the Tribes receiving block grants, as I think Sister Cooper's testimony was talking about, and then developing their own delivery system from there?

Dr. **Platero**. Yes, I think so. I think the Navajo Tribe today is developing a comprehensive education plan which it hopes to implement, and right now we work with the JOM program and the total of 6 million plus is contracted to the Tribe, and we subcontract to the public schools.

Hopefully, it gives us a little more input and some influence as to how the funds might be used, and also recommend ways that it might be improved and I think by monitoring and evaluating some of the school programs we are beginning to get acquainted with the public school situation much better than before.

Mr. **Blouin**. How would you coordinate the different types of schools on the Navajo Reservation, and, since the reservation includes 3 states, in the different State school systems that you have to face?

Mr. **Platero**. The Navajo comprehensive education plan includes plans for various areas such as vocational education. It's the vocational education plan for the Navajo nation. I could use accreditation and certification. In meeting with the State school superintendents of New Mexico and Arizona, we asked whether or not the Tribe's certification and accreditation programs would be honored or accepted, and I think that the states are willing to have a go at it, and I think it could be supplementary to what the states have.

It would also give the Navajo Tribe, I think, within the reservation area, if it makes it a requirement of schools who are actually operating on Navajo Reservations, that this is one way you begin to get a coordinated system rather than the State of Arizona pretty much its own certification, accreditation requirements, the same way with Utah and the same way with New Mexico, and each may be a little different, and it may not be consistent with the goals of the Navajo Tribe, or could be part of the reason why the last 20 years the Navajo is graduating from high school is at ninth grade or lower, than 80 percent of these students are at that level.

Mr. **Blouin**. That is because the system is targeted not at the Navajo.

Mr. **Platero**. I think again what was mentioned here, that it is based on the Tribe that it is serving. So I think that is one of the ways he had to begin to be unified on the Navajo Reservation, so there are also students moving from one State to another, and finding it a little different, and I think if you had a consistency, I think you would be far better, and again with the Bureau of Indian Affairs, they have pretty much their own way of certification and accreditation.

Mr. **Blouin**. Isn't this at least what BIA has tried to do over the years, especially in the hiring of personnel and teachers. They have tried to have a consistent application with Civil Service and so on, and if that is the case, I thought that is basically one of the nightmares out there in terms of hiring personnel, replacing them, the lack of contract and teachers and administrative staff and so on.

Wouldn't it be leaving yourself open to that same kind of problem?

Mr. **Platero**. No, I don't think so. I think you have certain minimums which you establish which may be higher than the state's and in working on certification, there are areas that do require, like in the bilingual education area, and a person who might have an understanding and communicate with the local people, and I think that reflects the kind of teachers that you might hire, although with Civil Service I think you have a difficulty of getting stuck with various people and as you indicated, some are good and maybe some are not the best teachers in the world, so you are stuck with those people.

Mr. **Blouin**. More than that, it's a lack of a dependability of that personnel. They could take off tomorrow morning without notice and you have to go through a crazy system under Civil Service of hiring additional personnel through Albuquerque, and it just seems like a nightmare you would want to avoid like the plague.

Now again in the overall plan that you have got in mind, in reference to Federal legislation: are you referring to specifically Navajo or are you talking about Indian Tribes and Nations generally, following the same pattern?

Mr. **Platero**. I think what we are planning is that maybe this is the first phase, that the second phase is probably in the future, where the Tribe is directly involved in decision-making overall for the reservation, so it really sets standards which it wants for its schools and for its students.

It does not get itself directly involved in running schools, but I think, as I indicated, setting standards, giving technical assistance, guidance, to people who are in education like today we find public schools and Bureau schools asking the Tribe what does it think concerning bilingual education.

Today there is no legislation by the Navajo Tribe which says that Navajo language shall be taught in every classroom. As a result, you have schools on the reservation who are making up their own program the best way they know how. But I think if you had guidelines, plans, that you can help the schools a great deal.

Mr. **Blouin**. You are talking about a phase-in process. Initially the tribe would not administer the schools but do all the goal-setting criteria establishing and that kind of thing.

Mr. **Platero**. Yes.

Mr. **Blouin**. Would you be talking about a specific timetable, in year so-and-so that program would kick in and 5 or 10 years later total control would kick in, that kind of thing? Are you talking about this phase and then coming back a few years later and looking at it legislatively all over again?

Mr. **Platero**. Let's take school construction, for instance. I talked about duplication. We have a high school here, a high school here, two administrations. We are now prioritizing or restructuring how school construction can be prioritized on the Navajo Reservation. You have long bus runs, in some cases 60-some miles one way. This is because of separate planning, but that group and another group,

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so that you have a vacuum in some of the areas. The high schools might be about a hundred-some miles apart, so in that area you do not have a high school.

Mr. **Blouin**. That is where the consultation criteria helps, but you are talking with that being an early phase. Do you have in mind specifically a mechanism to trigger into a final phase of tribal control in operation of the schools?

Mr. **Platero**. The first phase I talk about would take approximately 10 years. The second 10 years we would begin to phase in most of the areas. Hopefully the Navajo Reservation is put in the hands of the Indian tribe, that it does the planning in that area to avert a lot of these duplications. It would set the priorities in cooperation with the Navajo Tribal Council and in working with the Bureau of Indian Affairs cooperatively, so that we are talking that within 10 years you have pretty much set up the total organization and have the certification and accreditation plans and agencies pretty much established, hopefully the Navajo tribal education agency, which is very important to coordinating the total Navajo education program being in 3 states, and the fourth state that is involved, the Bureau of Indian Affairs. In a situation like this, a tribal education agency similar to a state education agency would be ideal.

Mr. **Blouin**. So you are talking about ultimately total control by the tribe?

Mr. **Platero**. Yes.

Mr. **Blouin**. We have run into several tribal councils around the country in our trips—in our hearings that have great reluctance to move in that direction. They equate self-determination with termination. They just point to not-too-distant history as grounds for a lot of their concern.

I am reluctant to thrust upon them a total control program if they do not want it, if they do not feel they can handle it at this point in a complete package. But at the same time, I would think that we would want to respond to total self-determination in education when one nation is ready, as the Navajo may well be. On your own premise you have determined that.

Do you think what you are talking about can be more flexible with some kind of ultimate goal? It shall happen after so many years? Do you think that would run into too much resistance?

Mr. **Platero**. Even right now with the plan we are experiencing some organized effort to not accept the total plan, and we have held hearings on the Navajo Reservation, we have had about a couple hundred people testifying—mothers and fathers and parents and grandparents and teachers, school administrators—who testified in Navajo, just like I am testifying here.

The documentation is available and it is from this that we have developed our plans. But still you run across resistance and you are going to because it means change, it means the Tribe taking a much bolder step. But we realize that the termination question is always there and some of our more conservative members of the council and administration I think realize this and it is uppermost in their minds whenever that, along with anything self-determined, will eventually come to a measure.

Mr. BLOUIN. Sister, do the Papago share many of the same concerns about self-determination or do they have reservations about equating it with termination?

Sister COOPER. We are in the process of long-range planning, perhaps a 5-year piloting program—we are not sure just how long the piloting would exist—and gradually phase in both the public and the BIA schools. We are running into the same problems as Mr. Platero is saying. The Tribe feels too that termination is something they are afraid of and there are some council members who would be against that.

Mr. BLOUIN. With good reason probably.

Sister COOPER. Yes.

Mr. BLOUIN. Is there a desire in the tribal council to eventually attain control of education?

Sister COOPER. Yes.

Mr. BLOUIN. Or are they more interested in controlling the standards, goals, and leave the administration up to someone else?

Sister COOPER. The tribal council has said they do want quality education.

Mr. BLOUIN. But they want to define quality?

Sister COOPER. They want quality and it has to do some way or the other and it has not been in public schools. The Bureau schools have been starting to do that. At the Santa Rosa School they have had ZIP programs individualized, which means the student works at his level and compels them, but at the same time it is not sitting well with the parents. Again, we have to have parent education.

The whole thing is a study in itself and that is what we are doing. We are doing a study.

Mr. CHICO. I think we are doing what the Washington Post said about the District teachers, the quality of teachers. It is the very same process we are going through on the reservations of getting quality teachers because when the teacher signs a contract with us, we hire and they still look for a job. If they get a job in Tucson, they let us go and we are stuck.

Mr. BLOUIN. Is Indian preference a help or hindrance?

Mr. CHICO. We do not have enough Indian teachers to qualify. The ones that do apply, we do get them, but there is not enough of them. We are even upgrading teacher aides to become teachers.

Mr. BLOUIN. Do you think that the individual tribes should be able to determine whether Indian preference should exist or not in their particular schools?

Sister COOPER. Yes.

Mr. BLOUIN. As opposed to a uniform Indian law?

Mr. CHICO. Yes. Because they will know whether that Indian is qualified, and we could get an unqualified Indian just because of the preference.

Sister COOPER. It is the same way with higher education. We are the last ones to find out. If we contract through BIA for higher education for a student, we are the last ones to find out what has happened or whether that student is going to get a grant or not. So we are in the process of contracting higher education so we ourselves can work directly with the student.

Mr. **Blouin**. Do you think that the funding structure that is there today, the various federal programs, is at all compatible with your goal of quality Indian education and ultimate Indian control?

Sister **Cooper**. No. I do not think it is compatible, first, because there is duplication; secondly, there is not enough funding; thirdly, it does not involve decision-making by the tribe.

Mr. **Blouin**. Do you think it is possible to do patchwork on the existing programs or do you think it is necessary to come up with a whole new formula, as Mr. Quie talked about earlier today, some kind of federal foundation approach?

Sister **Cooper**. It has to be looked into, to be researched, and I think it is up to you people. I have not seen you on our reservation to see our problems.

Mr. **Blouin**. We would like very much to go down there. We have been to the Navajo and the Hopi and the Dakotas, and we are going to Oklahoma soon. We will go anywhere the chairman will give us funds to go, I assure you of that.

Mr. **Platero**. Taking up the foundation funding, I think it is very important to note that as long as the state says it is a federal responsibility and the federal is saying it is a state responsibility, this has been going on in Arizona for some time, and of course the schools suffer. Foundation funding for public schools is very much needed. In this study it pretty much points out the need for some consistent funding that you can depend on. I think this is where our equal educational opportunity for every Navajo child is what I referred to earlier, and some formula of this type I think is needed which would bring about some of the basic support that schools need.

Mr. **Chico**. When the state put a certain amount of money in and they asked us to get more federal funding. When we obtained that federal funding, they pulled back that additional so no matter how we work to get federal funding we do not gain anything.

Mr. **Blouin**. That is not a new trick. It is not just in education that goes on, unfortunately.

Mr. **Blouin**. I yield to Mr. Kildee.

Mr. **Kildee**. Generally speaking—maybe you want to answer this, Sister—how do you view the public school performances in the past? Is there increasing enrollment in the public schools?

Sister **Cooper**. No. They are losing enrollment right now because the majority of them are going off the reservation to the boarding schools. The reason for that is because of the facilities. The public schools do not have vocational training and this is what they are going for. The Bureau school is a vocational type, so they are attracted to the off-reservation boarding schools.

The parents are requesting for the children to come back. This is because there is not enough facility for the public school. Its construction needs are terrific. They have been using basic aid to rent 16 portables. That really depletes their basic aid.

Mr. **Kildee**. What is the parental attitude generally regarding their children leaving to go to the boarding school?

Sister **Cooper**. Three districts down in the western end, where there is an isolated area with no high school, have been requesting a new high school in that area so they could bring them back to the reservation. They would be bused back and forth. That is a demand by the parents.

Mr. **Kildee**. So there would be a negative attitude toward wanting the children to leave?

Mr. **Chico**. It is the children who want to leave.

Mr. **Kildee**. The children's choice generally is to attend the boarding school where the parents would prefer to keep them on the reservation?

Mr. **Chico**. That is right.

Mr. **Kildee**. At what age do these children begin to make that choice?

Sister **Cooper**. The off-reservation boarding schools are high schools.

Mr. **Kildee**. So at that point the students choose and the parents generally are negative towards that?

Sister **Cooper**. But if there would be quality education, something that would be enticing to the student to want to go to school at the reservation level, they would, but there is nothing there.

Mr. **Kildee**. So it is a choice forced upon them, unfortunately?

Sister **Cooper**. Yes.

Mr. **Blouin**. If the gentleman would yield.

How much of it is economic as well?

Sister **Cooper**. Some of it is social problems and there is no way of keeping them on the reservation. We have to send them to the boarding school somewhere so if we have facilities like boarding them or some type of facility there where the children could be, if it is for social reasons they could still be kept at the reservation level instead of sending them into another state.

Mr. **Kildee**. Mr. Platero, among the Navajos what is the attitude of the parents with regard to their children going to the boarding school?

Mr. **Platero**. I might first say that in the hearings the parents are requesting community schools. They also requested dormitories for those where roads are inaccessible to school buses, and also for social reasons.

Mr. **Kildee**. As to the dormitory request, is it a mixture of social and economic reasons that their parents might have some mixed feelings as to how best the children's well-being is being served? In other words, are the parents torn between the cruel choice of having them at home, but because of the high unemployment being unable to provide even some of the basics for the children; and having them in a boarding school where these basic needs are provided? Is there any mixed feeling there among the parents?

Mr. **Platero**. I think where you have large families they would be relieved to send maybe three or four of the children to boarding schools. I think this has been stated many times over and over because of lack of employment opportunities of the parents, those on welfare, for instance.

So I think for these reasons they would like to send some of their children off to boarding schools.

Mr. **Kildee**. It is rather a cruel choice to force upon them, is it not?

Mr. **Platero**. The Navajo Tribe has a policy which, wherever possible, says the children should stay in the community.

Mr. BLOUIN. Thank you very much.

Our last witness is Dr. Will Antell, Assistant Commissioner of Education, Minnesota State Department of Education.

STATEMENT OF DR. WILL ANTELL, ASSISTANT COMMISSIONER OF EDUCATION, MINNESOTA STATE DEPARTMENT OF EDUCATION, AND JOSEPH GRABA, DEPUTY COMMISSIONER OF EDUCATION FOR MINNESOTA STATE DEPARTMENT OF EDUCATION

Mr. BLOUIN. You may feel free to summarize your statement or read it.

[The prepared statement of Dr. Antell follows:]

TESTIMONY RELATIVE TO THE FINANCING OF PUBLIC SCHOOLS WITH INDIAN ENROLLMENT IN MINNESOTA: FOUNDATION AIDS, JOHNSON O'MALLEY, AND TITLE IV-PART A

Mr. Chairman and Members of the Sub-Committee:

I am Will Antell, Assistant Commissioner of Education for the Minnesota State Department of Education with responsibilities for Indian Education, Migrant Education, Title I and Special Education. I am accompanied by Mr. Joseph Graba, Deputy Commissioner of Education for Minnesota SDE. I am a Chippewa Indian and have served as Chairman and Member of the National Advisory Council on Indian Education, President of the National Indian Education Association, Director of Indian Education for Minnesota, SDE and other national committees. Mr. Graba has been a Legislator in Minnesota and served as a Committee Member when Minnesota adopted its current foundation aids equalization formula. We are here today to speak to the current financial needs in Minnesota's Indian schools.

Minnesota adopted an equalization formula for the public school districts of the state in 1972. Although that formula has not been 100% effective in equalizing educational opportunity across the state, it has assisted a great deal in making financial support "more equal" than previous to 1972.

During the 1973-74 school year, the average per pupil unit expenditure in Minnesota was $1,248. In '74-'75 the average per pupil expenditure was $1,442; in 1975-76 the average was $1,568. These averages compare very favorably with other state averages across the country--in fact, they make Minnesota one of the highest expenditure states in the nation. However, as in other places, personnel costs average at least 70% of the budget, inflation is a continuing problem, maintenance costs have soared (due to rises in energy costs), mandated programs (special education, school lunch, transportation and desegregation) and other considerations have eroded the actual dollar increases. Schools are facing enrollment fluctuations that also handicap their abilities to provide quality education for all youngsters.

As in all schools, schools with substantial Indian enrollment have benefitted from increased state aid. Since many were among the poorer school districts previous to 1972, they have seen their foundation aids increase. However, due to the gradual phasing in of the equalization formula, some "Indian" districts have not yet caught up to the state averages in basic support monies. Though Minnesota is making a concerted effort to meet the needs of all its youngsters, there are several problems involved in meeting these needs as they apply to Indian youngsters and/or to school districts with high percentages of Indian enrollments. The main reasons for there continuing to be pressure on the basic operating budgets are:

1) the rollback of J.O.M. Basic Support monies
2) the extent of categorical aid programs in Indian schools:
    - A. Title I: ESEA
    - B. J.O.M.:
    - C. Title IV: Part A The Indian Education Act of 1972
3) the fact that these schools are high cost districts
4) the special needs in mainstream education--not just supplemental or categorical areas
5) the need to use J.O.M. monies in urban and rural non-reservation areas, which spreads the funds more thinly.

These areas tend to overlap, but for clarity of discussion, they will be treated separately with relationships noted as they occur.

The number one problem in several Minnesota "Indian" schools at present is the reduction in J.O.M. basic support monies. The schools which have received J.O.M. basic support monies (the six listed below[1]) were mainly elementary schools in isolated areas. They served enrollments that are 80-100% American Indian. They were and are high cost districts in that it is necessary to have a low pupil-teacher ratio (with only 8-10 youngsters per grade in most instances), transportation costs are high, and supplemental services (lunch, maintenance, extra-curricular activities, and special services) are above average in cost per pupil. These schools did not and do not have the advantages of scale that larger schools in more concentrated population areas enjoy. Because of the high per pupil costs, J.O. M. basic support monies were used to pay teachers' salaries, maintain buildings and implement an adequate educational program. The reduction or elimination of J.O.M. basic support monies for these schools means drastic reductions in staff, building maintenance, and support services. In several cases the schools may have to close and youngsters will have to be transported many miles to other more cost-effective schools. In the case of Grand Portage, the distance is 40 miles each way to the nearest elementary school; for Naytauwaush the distance is 22 miles each way. Pine Point, Nett Lake and Red Lake are also some distance from any other schools.

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[1] Grand Portage Elementary School in Cook County I.S.D. #166
Naytauwaush Elementary School in Mahnomen I.S.D. #432
Pine Point Elementary School in Park Rapids I.S.D. #309
Nett Lake I.S.D. #707 (K-6)
Red Lake I.S.D. #038 (K-12)
White Earth Elementary in Waubun I.S.D. #435

In the case of Red Lake (and perhaps others) there is a serious consideration to remove the school from the state system and become a tribally-owned and B.I.A. operated school. This option may not substantially improve the financial picture, but the complexities of juggling state funds and state mandates while trying to supplement with a variety of federal programs has grown cumbersome if not unmanageable. The school boards, J.O.M. parent committees or local Indian Education Committees feel that they are being unduly burdened with state mandates at the same time they are losing J.O.M. basic support. Their frustration is surfacing in a move to leave the state school system and take an "independent" course with the tribe and/or the B.I.A.

Also causing problems is the dependence of Indian schools on categorical aids which are specific to particular programs. These aids include the J.O.M. supplemental funds and the Title IV-Part A funds. Whereas all the schools under discussion here qualify for and receive J.O.M. supplemental and Title IV-Part A funds (of the Indian Education Act), these funds cannot be used for basic programs. The funds must supplement and in no way supplant basic programs. Therefore, these funds cannot help in meeting mainstream program costs, in paying regular salaries, nor in paying transportation, maintenance or administrative costs. This poses the unique problem of having several supplemental programs operating while the basic foundation program is being trimmed or suffering from severe financial constraints. Title I ESEA funds are also available to these schools, but are categorical in nature, cannot be spent on "regular" mainstream education, and are largely directed toward remediation needs in grades 1-3. Therefore, these Title I funds are very helpful, but do not help in the regular basic program nor provide sufficient extra assistance in grades 4-6 or beyond. Research shows that Indian youngsters begin to regress in grade 4 and fall further behind as they progress in school.

The fact that schools under discussion are high cost districts has already been mentioned in connection with the J.O.M. funding. As seen on Table 1, the pupils per professional staff range from 10-1 to 12.8 to 1 in the all-Indian schools. (In Onamia and Park Rapids the ratios are 16.9 to 1 and 18.1 to 1, but these are the total district ratios, and the Indian elementaries are more nearly 10 to 1.)[2] The state average is 16.8 pupils to 1 full-time professional staff. Four of the elementary schools (Grand Portage, Nett Lake, Naytauwaush and Pine Point) have ten or fewer students per grade level. The small number of students per grade level makes the salary costs for professional staff above average.

[2] See "Comparative Financial Status of School Districts
With Large Native American Enrollments, 1975-76

Transportation costs are also above average in that these students tend to be scattered across relatively large areas and live in isolated areas where roads are not paved. Heating and maintenance costs tend to be high because of the severe winters and the need to have a full-time janitor on duty, regardless of the number of rooms or students. Special staff persons such as physical education teachers, counselors, speech therapists, remedial reading teachers, etc., often have to be shared with other buildings or other schools, and they must travel long distances to service these schools. This adds to the costs for these schools and/or their school district.

In several cases (Cook County I.S.D. #166, Mahnomen I.S.D. #432 and Waubun I.S.D. #435) the school dsitrict has made recommendations to close these isolated, high-cost, Indian elementary schools and bus the youngsters to another elementary school. This option is very threatening to the reservation parents who do not wish to have their youngsters in grades K-6 spend two to three hours per day on a bus or attending schools far from their home areas in non-Indian schools which are often ill-prepared to meet the special needs of reservation youngsters.

The previous problems all revolve around the fourth general problem, i.e., the most pressing needs are in the mainstream programs and not in the categorical programs. These reservation schools--mainly elementary--need sufficient funds for classroom teachers, for special education classes, for competent administrators, for physical education, music and art teachers--all usually considered basic education personnel. These staff positions cannot be funded from supplemental or categorical funding sources such as J.O.M., Title IV-Part A or Title 1. These services must come form state aids. Whereas state aids are sufficient in most "average" schools, these same state aids are insufficient in the small reservation schools. The dependence on foundation aids (state monies) means fewer services in these schools, fewer staff, a bare bones curriculum, or the necessity of closing the doors.

A fifth factor--of somewhat unknown dimensions at the present time--is the eligibility of urban or rural non-reservation schools for J.O.M. monies. Whereas J.O.M. supplementary funds have been designated for reservation areas in the past, this is evidently changing. Urban and rural schools with Indian students are also eligible for J.O.M. supplementary funds. This may have the effect of having fewer dollars for the reservation schools. While this affects only supplementary services and has no effect on the basic program needs, it may diminish the total dollars available in the reservation schools.

Therefore, the Minnesota situation appears somewhat contradictory until all the facts are known. This is, Minnesota foundation aids are equitably distributed, are generous in comparison with many states, and are equally available to Indian and non-Indian districts. However, the usual foundation aid formula does not meet the total need in isolated reservation areas. This is true because of (1) the relatively small numbers of youngsters, (2) the relative isolation of these schools, (3) the distances involved, (4) high energy and maintenance costs due to severe winters, and (5) other special needs. The usual solution of closing small, costly schools means a loss of identity for the Indian children and the Indian parents in the areas under consideration. This loss is greatly feared by the children and their parents. In most cases these elementary schools (or K-12 schools as in Red Lake) have been especially sensitive to the needs of Indian youngsters and their families and have been community centers from early morning through the evening. The loss of such schools would tend to demoralize the community as well as have an adverse effect on the lives of the children.

The question may be, "Who is responsible to provide the additional dollars that Indian youngsters in Indian schools often need?" If youngsters have mental or physical handicaps, they are eligible for special education funds; if they have academic handicaps, there are Title I funds - at least in grades 1-3 but if their handicaps are cultural, they must depend on J.O.M. or Title IV-Part A. J.O.M. and Title IV-Part A have been extremely helpful in developing supplemental programs and in fostering parental involvement. However, the culturally disadvantaged youngsters often need extra and continous assistance in their basic (mainstream) educational program, and the foundation aids do not have a formula factor to allow for cultural disadvantagement.

Therefore, Minnesota SDE believes that the state is making a fair and equitable effort to finance the education of all its citizens, including its American Indian citizens. It would seem fair if federal resources; Johnson O'Malley monies specifically; were used to supplement the basic foundation aids in high cost reservation areas where foundation aids cannot fully cover the needs. Minnesota believes that the states have the primary responsibility for the education of their citizens--Indian and non-Indian. However, Minnesota also believes that the federal government has a responsibility for its Indian citizens and a responsibility to supplement where needs are great.

Comparative Financial Status of School Districts With Large Native American Enrollments, 1975-76

District	Total Expenditures[1] per Pupil Unit	State & Local[2] Operating Cost per P.U.	% Receipts[3] Fed.[3a]	State[3b]	Pupils per FTE[4] Professional Staff	% of Non-White[5] Pupils	1975 Income[6] per Pupil Unit
State Average	$1,568	$1,059	6	55	16.8	4.3	16,715
Red Lake #38	2,314	1,074	37	60	12.8	98.5	1,248
Cook Cty #166	1,583	1,010	9	62	16.3	9.4	13,272
Park Rapids #309	1,679	825	16	55	18.1	5.0	8,037
Mahnomen #432	1,363	908	15	65	15.1	25.2	7,578
Waubun #435	1,567	987	20	58	13.5	42.1	5,305
Onamia #480	1,504	1,025	9	61	16.9	13.3	6,290
Nett Lake #707	2,974[7]	758	65	30	10.0	100.0	2,311

[1] Reports the total of all disbursements divided by the total pupil units, or the average total expenditure per pupil unit for 1975-76.

[2] Is a basic measure used to compare the cost per pupil unit of educating a district's children through use of state and local financing. Federal financing is excluded because most of such financing is used to solve specific problems rather than to contribute to general education. Other expenditures which are excluded from current expense figures in operating cost are those for transportation and community services, as well as receipts from sales of lunches and materials, student activity receipts in excess of disbursements, and refunds from current expense. The resulting measure is the cost per pupil unit in 1975-76 and may be used in comparing relative spending levels of the various districts.

[3] Differentiates between the percentage of district receipts which came from federal and state sources during the 1975-76 school year. The remainder of school district receipts came from local sources, primarily local taxes. Excluded from this computation were receipts from sales of bonds.

[3a] Is the percentage of 1975-76 receipts which originated from federal sources.

[3b] Is the percentage of 1975-76 receipts which originated from state sources.

[4] Gives the total number of kindergarten, elementary and secondary pupils served per full-time equivalent professional staff member, sometimes called the pupil-staff ratio, for 1975-76.

[5] Reports the per cent of the October 1, 1976 total district enrollment considered to be of American Indian, Black, Oriental or Spanish-speaking origin.

[6] Is an indication of 1975 personal income wealth behind each pupil unit. It was computed by dividing the total 1975 Federal Adjusted Gross Income as reported on State Income tax returns of all persons filing in 1976 who were identified as residents of the district by the district's 1975-76 total pupil units. Some income is not reported, since not everyone has to file a Minnesota tax return. Furthermore, since rural income may not be equated with urban income, caution should be observed in making comparisons between rural and urban districts.

[7] Is highly inflated due to the fact that Nett Lake is the fiscal agent for two large federal cooperative projects which serve 16-19 independent school districts.

Minnesota Department of Education
Research, State Aids & Statistics

District's # 166

District's Name Cook County

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

County

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment			
b. Guarantee			
c. Reg. Monthly (incl. App't)	292,023.77	241,810.45	
d. Summer School	1,563.00	1,068.10	
TOTAL	293,586.77*	242,878.55*	
Special Education (M.S. 124.32)	46,570.05	46,506.63	
Transportation (M.S. 124.223)	106,800.81	113,593.43	
School Lunch (M.S. Chapt. 433, 1975) State Federal	1,166.71 12,144.67	974.47 14,907.91	
Vocational Aids (M.S. 124.57) a. Adult b. Secondary			
Community Education (M.S. 124.271)	5,000.00	2,642.50	
Adult Diploma - G.E.D. (M.S. 124.26)	390.00	132.20	
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)			
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)			
ESEA I (Federal) 13428V, 13511V, 13512V	9,030.00	32,306.49	
ESEA II (Federal) 13595V	5,963.98	876.65	
ESEA III (Federal) 13487V	32,589.76		
ESEA IV (Federal) 13461V, 13463V 13466V		29,934.00	
ESEA VA (Federal) 13486V			
ESEA VI (Federal) 13427V	17,865.24	43,986.28	
NDEA III (Federal) 13483V	679.60		
CETA (Federal)	2,068.46		
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	30,962.13	N.A. ~~13,673.70~~	
Non-Taxable Land	16,667.50		
TOTAL			
	*includes AFDC payments of $19,350.00	*includes AFDC payments of $17,760.00	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 432

District's Name Mahnomen

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

County

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment	58,806.77	55,037.21	
b. Guarantee			
c. Reg. Monthly (incl. App't)	697,589.42	742,698.78	
d. Summer School	2,333.18	1,114.00	
TOTAL	758,729.37*	798,849.99*	
Special Education (M.S. 124.32)	23,122.02	18,271.48	
Transportation (M.S. 124.223)	113,661.01	109,450.69	
School Lunch (M.S. Chapt. 433, 1975) State Federal	1,275.28 33,936.55	1,262.20 37,147.90	
Vocational Aids (M.S. 124.57)			
a. Adult			
b. Secondary	6,666.68	4,045.50	
Community Education (M.S. 124.271			
Adult Diploma - G.E.D. (M.S. 124.26)	30.00	190.00	
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)			
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)			
ESEA I (Federal)	71,394.25	35,126.47	
ESEA II (Federal)	2,159.50		
ESEA III (Federal)			
ESEA IV (Federal)		952.75	
ESEA VA (Federal)			
ESEA VI (Federal)			
NDEA III (Federal)	770.44		
CETA (Federal)			
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	45,720.53	N.A. ~~1,545.00~~	
TOTAL			
	*includes AFDC payments of $10,086.50	*includes AFDC payments of $30,450.50	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 767

District's Name Nett Lake

FINANCIAL AID PAYMENTS

RECEIVED IN FISCAL YEAR

County ______

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment		16,500.55	
b. Guarantee			
c. Reg. Monthly (incl. App't)	132,165.68	175,618.11	
d. Summer School			
TOTAL	132,165.68*	192,118.66*	
Special Education (M.S. 124.32)	14,225.48	21,592.47	
Transportation (M.S. 124.223)	12,336.63	19,886.68	
School Lunch (M.S. Chapt. 433, 1975) State Federal	233.06 9,316.31	132.14 8,769.21	
Vocational Aids (M.S. 124.57)			
a. Adult			
b. Secondary			
Community Education (M.S. 124.271	3,434.36	6,748.11	
Adult Diploma - G.E.D. (M.S. 124.26)			
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)		22,922.02	
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)			
ESEA I (Federal)	47,206.31	39,490.81	
ESEA II (Federal)		130.80	
ESEA III (Federal)			
ESEA IV (Federal)			
ESEA VA (Federal)			
ESEA VI (Federal)	42,061.60	15,463.50	
NDEA III (Federal)	440.40	25.80	
CETA (Federal)			
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	69,921.63	N.A. ~~10,599.63~~	
Non-Taxable Land	2,806.47		
TOTAL			
	*includes AFDC payments of $18,429.88	*includes AFDC payments of $30,892.55	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 480

District's Name Onamia

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

County

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment	62,896.03	105,522.10	
b. Guarantee			
c. Reg. Monthly (incl. App't)	733,374.70	830,327.83	
d. Summer School	1,176.54		
TOTAL	797,447.27*	935,849.93*	
Special Education (M.S. 124.32)	66,245.39	31,332.44	
Transportation (M.S. 124.223)	133,728.55	181,143.10	
School Lunch (M.S. Chapt. 433, 1975) State Federal	1,674.66 48,148.70	1,300.53 40,138.66	
Vocational Aids (M.S. 124.57)			
a. Adult			
b. Secondary	3,101.67	5,292.00	
Community Education (M.S. 124.271			
Adult Diploma - G.E.D. (M.S. 124.26)			
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)			
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)		40.00	
ESEA I (Federal)	42,203.00	38,118.43	
ESEA II (Federal)	3,151.99		
ESEA III (Federal)			
ESEA IV (Federal)		36,893.72	
ESEA VA (Federal)			
ESEA VI (Federal)			
NDEA III (Federal)	831.60		
CETA (Federal)			
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	62,863.00	N.A. ~~24,869.30~~	
Emergency Aid	12,400.00		
TOTAL			
	*includes AFDC Payments of $52,521.42	*includes AFDC Payments of $58,004.85	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 309

District's Name Park Rapids

County

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment	113,295.34	265,751.99	
b. Guarantee			
c. Reg. Monthly (incl. App't)	1,477,852.24	1,704,208.06	
d. Summer School	11,487.88	18,277.26	
TOTAL	1,602,635.46*	1,988,237.31*	
Special Education (M.S. 124.32)	78,830.24	42,362.06	
Transportation (M.S. 124.223)	231,299.09	234,275.61	
School Lunch (M.S. Chapt. 433, 1975) State Federal	3,294.17 79,109.24	3,235.15 84,175.46	
Vocational Aids (M.S. 124.57)	12,844.04	14,137.75	
a. Adult			
b. Secondary	16,993.74		
Community Education (M.S. 124.271	1,142.36	140.00	
Adult Diploma - G.E.D. (M.S. 124.26)	464.00	474.00	
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)			
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)			
ESEA I (Federal)	145,435.33	94,332.07	
ESEA II (Federal)	7,054.90		
ESEA III (Federal)			
ESEA IV (Federal)			
ESEA VA (Federal)			
ESEA VI (Federal)	33,713.24	19,624.10	
NDEA III (Federal)	2,822.45		
CETA (Federal)			
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	79,767.72	N.A. ~~25,290.96~~	
TOTAL			
	*includes AFDC payments of $118,205.36	*includes AFDC payments of $134,497.10	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 38

District's Name Red Lake

County

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

Category		1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)				
a. Prev. Yr. Adjustment		39,050.93	20,546.21	
b. Guarantee				
c. Reg. Monthly (incl. App't)		1,032,289.23	1,120,263.96	
d. Summer School			189.60	
TOTAL		1,071,340.16*	1,140,999.77*	
Special Education (M.S. 124.32)		52,007.37	34,859.57	
Transportation (M.S. 124.223)		80,061.51	23,703.37	
School Lunch (M.S. Chapt. 433, 1975)	State Federal	1,271.19 67,845.63	635.23 23,462.00	
Vocational Aids (M.S. 124.57)				
a. Adult		8,502.65	13,162.50	
b. Secondary		29,244.00	29,618.50	
Community Education (M.S. 124.271		11,760.74	2,954.76	
Adult Diploma - G.E.D. (M.S. 124.26)				
Eligible Teacher Prog. (M.S. 124.611)				
Shared Time (M.S. 124.17, Subd. 2)				
Minn. Ed. Computing Consortium				
Council Quality Education (M.S. 3.924)				
Curriculum Planning (1976 Sec. 1, Session Laws)				
South Asian Children Aid (1976 Laws)				
ESEA I (Federal)		158,541.83	237,471.00	
ESEA II (Federal)			1,601.79	
ESEA III (Federal)				
ESEA IV (Federal)				
ESEA VA (Federal)				
ESEA VI (Federal)				
NDEA III (Federal)		651.00		
CETA (Federal)				
Adult Indian Education (Federal)				
Impact Aid (Fed. Public Law 81-874)		411,735.09	N.A. ~~139,381.81~~	
Non-Taxable Land (M.S. 124.30)		16,225.14		
TOTAL				
		*includes AFDC payments of $291,170.64	*includes AFDC payments of $344,588.64	

Minnesota Department of Education
Research, State Aids & Statistics

District's # 435

District's Name Waubun

FINANCIAL AID PAYMENTS
RECEIVED IN FISCAL YEAR

County

Category	1975-1976	1976-1977	1973-1974
Foundation Aid (M.S. 124.212)			
a. Prev. Yr. Adjustment	50,956.94	31,290.01	
b. Guarantee			
c. Reg. Monthly (incl. App't)	655,912.75	676,881.59	
d. Summer School		630.00	
TOTAL	706,869.69*	708,800.90*	
Special Education (M.S. 124.32)	30,393.04	33,050.86	
Transportation (M.S. 124.223)	97,754.32	90,521.78	
School Lunch (M.S. Chapt. 433, 1975) State Federal	2,111.13 43,792.43	1,682.19 57,971.62	
Vocational Aids (M.S. 124.57)			
a. Adult			
b. Secondary	22,135.99	17,251.00	
Community Education (M.S. 124.271	4,287.26	3,785.89	
Adult Diploma - G.E.D. (M.S. 124.26)			
Eligible Teacher Prog. (M.S. 124.611)			
Shared Time (M.S. 124.17, Subd. 2)			
Minn. Ed. Computing Consortium			
Council Quality Education (M.S. 3.924)			
Curriculum Planning (1976 Sec. 1, Session Laws)			
South Asian Children Aid (1976 Laws)			
ESEA I (Federal)	84,038.73	47,047.24	
ESEA II (Federal)	2,552.98		
ESEA III (Federal)			
ESEA IV (Federal)		1,412.00	
ESEA VA (Federal)			
ESEA VI (Federal)			
NDEA III (Federal)	393.28	264.00	
CETA (Federal)			
Adult Indian Education (Federal)			
Impact Aid (Fed. Public Law 81-874)	87,154.29	N.A. ~~40,043.71~~	
TOTAL			
	*includes AFDC payments of $19,203.73	*includes AFDC payments of $67,151.90	

SCHOOLS	JOM COUNT	JOM FUNDS(1) 75-76	TITLE IV COUNT(2)	TITLE IV FUNDS(3)
A. Minnesota Chippewa Tribe				
1. Bagley ISD #162	165	28,017.00	219	21,766.50
2. Bemidji ISD #31	297	14,426.37	240	32,982.91
3. Blackduck ISD #32	41	16,000.00(?)	62	6,330.05
4. Carlton ISD #93	47	22,760.00	70	7,884.80
5. Cass Lake ISD #115	339	81,780.00	463	50,418.33
6. Cloquet ISD #94	236	33,310.00	214	23,543.36
7. Deer River ISD #317	276	48,625.00	284	30,206.57
8. St. Louis County ISD #710 (Orr & Brookston)	125	54,737.00	207	24,209.68
9. Fosston ISD #601	40	7,541.00	58	6,441.10
10. Grand Marais ISD #166 (Grand Portage Elem.)	62	34,353.00	93	9,439.55
11. Grand Rapids ISD #310	43	?	162	14,548.02
12. Isle ISD #473	13	2,800.00	13	-----
13.. McGregor ISD #004	16	?	25	-----
14. Mahnomen ISD #432	135	100,907.00	235	26,208.65
15. Nett Lake ISD #707	89	58,879.00	91	10,327.98
16. Onamia ISD #480	129	39,984.00	144	13,881.70
17. Park Rapids ISD #309 (includes Pine Point)	172	168,358.00	182	10,883.25
18. Remer ISD #113	109	29,064.00	120	9,772.71
19. Sandstone ISD #576	26	13,066.00	24	4,331.09
20. Tower-Soudan ISD #708	43	11,475.00	35	4,553.19
21. Walker ISD #119	74	44,800.00	105	9,106.39
22. Wabun ISD #435	184	70,434.00	349	44,976.70
23. Hinckley ISD #573	32	5,000.00(?)	31	4,220.03
Sub-total MCT	2693	886,316.37(1)	3426	366,032.56

(1) These represent current requests and may be reduced when allocations are made.
(2) Count was conducted October, 1975 and will be basis for 1976-77 finding.
(3) Finding is for 1975-76 school year: based on October 1974 count.

SCHOOLS	JOM COUNT	JOM FUNDS	TITLE IV COUNT	TITLE IV FUNDS
B. Sioux Communities				
1. Granite Falls ISD #894	42	13,135.00	32	3,886.87
2. Morton ISD #652	36	12,780.00	31	4,553.19
3. Red Wing ISD #256	33	11,715.00	28	3,775.82
4. Shakopee ISD #720	18	6,035.00	25	------
Sub-total Sioux Comm.	129	43,665.00	116	12,215.88

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SCHOOLS	JOM COUNT	JOM FUNDS(1)	TITLE IV COUNT(2)	TITLE IV FUNDS(3)
C. Red Lake				
1. Red Lake ISD #038	863	79,255.00	872	92,507.65
basic support		215,170.00		
Sub-total Red Lake	863	294,425.00	872	92,507.65
D. Metro Areas				
1. Duluth ISD #709	---	-----	678	75,516.44
2. Minneapolis ISD #001	---	-----	3028	297,179.43
3. St. Paul ISD #625	---	-----	1081	119,826.83
Sub-total Metro Areas	---	-----	4787	492,522.70
E. Suburban and Rural Areas (Title IV eligible)				
1. Aitkin ISD #001	--	---	13	-----
2. Anoka ISD #11	--	---	298	28,984.99
3. Aurora-Hoyt Lakes ISD #691	--	---	31	-----
4. Babbitt ISD #692	--	---	15	-----
5. Bloomington ISD #271	--	---	41	-----
6. Brainerd ISD #181	--	---	13	-----
7. Brooklyn Center ISD #286	--	---	21	-----
8. Browns Valley ISD #801	--	---	50	6,219.00
9. Buhl ISD #694	---	---	13	-----
10. Burnsville ISD #191	--	---	10	-----
11. Cannon Falls ISD #252	--	---	10	-----
12. Centennial ISD #12	--	---	103	8,217.96
13. Chaska ISD #112	--	---	16	-----
14. Chisago Lakes ISD #141	--	---	28	-----
15. Chisholm ISD #695	--	---	36	-----
16. Clearbrook ISD #161	--	---	13	-----
17. Coleraine ISD #316	--	---	218	6,774.26
18. Columbia Heights ISD #013	--	---	23	-----
19. Crookston ISD #593	--	---	22	1,332.64
20. Detroit Lakes ISD #316	--	---	229	24,431.79
21. Dilworth ISD #147	--	---	16	-----
22. East Grand Forks ISD #595	--	---	17	-----

SCHOOLS	JOM COUNT	JOM FUNDS(1)	TITLE IV COUNT(2)	TITLE IV FUNDS(3)
23. Elk River ISD #728	--	---	28	-----
24. Ely ISD #696	--	---	27	-----
25. Eveleth ISD #697	--	---	30	-----
26. Fergus Falls ISD #544	--	---	15	-----
27. Forest Lake ISD #831	--	---	420	11,549.57
28. Frazee ISD #023	--	---	129	7,884.80
29. Fridley ISD #014	--	---	20	-----
30. Gonvick ISD #158	--	---	13	-----
31. Goodridge ISD #561	--	---	19	-----
32. Hastings ISD #200	--	---	16	-----
33. Hermantown ISD #700	--	---	19	-----
34. Hibbing ISD #701	--	---	15	-----
35. International Falls ISD #361	--	---	200	7,440.59
36. Inver Grove - Pine Bend ISD #199	--	---	36	-----
37. Kelliher ISD #036	--	---	19	-----
38. LaCrescent ISD #300	--	---	19	-----
39. Lake County ISD #381	--	---	53	-----
40. LaPorte ISD #306	--	---	18	-----
41. Little Fork ISD #362	--	---	21	1,221.58
42. Marshall ISD #413	--	---	12	-----
43. Milaca ISD #912	--	---	19	-----
44. Monticello ISD #882	--	---	17	-----
45. Moorhead ISD #152	--	---	15	-----
46. Morris ISD #769	--	---	27	-----
47. Mound ISD #277	--	---	14	-----
48. Mounds View ISD #621	--	---	157	12,993.27
49. Mountain Iron ISD #703	--	---	28	-----
50. Nashwauk - Keewatin ISD #319	--	---	21	-----
51. North Branch ISD #138	--	---	26	-----
52. North Saint Paul ISD #622	--	---	16	-----
53. Oklee ISD #627	--	---	14	-----
54. Osseo ISD #279	--	---	21	-----
55. Pine River ISD #117	--	---	16	-----

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SCHOOLS	JOM COUNT	JOM FUNDS(1)	TITLE IV COUNT(2)	TITLE IV FUNDS(3)
56. Pipestone ISD #583	--	---	28	3,886.87
57. Princeton ISD #477	--	---	21	-----
58. Procter ISD #704	--	---	105	-----
59. Richfield ISD #280	--	---	19	-----
60. Robbinsdale ISD #281	--	---	212	-----
61. Rochester ISD #535	--	---	35	-----
62. Rockford ISD #883	--	---	19	-----
63. Roseau ISD #682	--	---	14	-----
64. Rosemount ISD #196	--	---	16	-----
65. Roseville ISD #623	--	---	22	2,887.39
66. Saint Cloud ISD #742	--	---	33	-----
67. St. Francis ISD #15	--	---	15	-----
68. Saint Louis Park ISD #283	--	---	28	-----
69. Sauk Rapids ISD #47	--	---	11	-----
70. South Koochiching ISD #363	--	---	30	-----
71. South St. Paul ISD #6S	--	---	25	2,887.39
72. South Washington Co. ISD #833	--	---	40	-----
73. Spring Lake Park ISD #16	--	---	30	-----
74. Staples ISD #793	--	---	34	1,887.91
75. Stillwater ISD #834	--	---	71	6,774.26
76. Thief River Falls ISD #564	--	---	10	-----
77. Virginia ISD #706	--	---	37	3,553.71
78. Wadena ISD /819	--	---	19	-----
79. Warroad ISD #690	--	---	43	4,997.41
80. West St. Paul ISD #197	--	---	12	-----
81. White Bear Lake ISD #624	--	---	26	-----
82. Willmar ISD #347	--	---	11	-----
83. Winona ISD #861	--	---	23	-----
Sub-total Rural & Suburban Areas			3745	143,925.39
GRAND TOTALS	3685	1,224,406.37 (estimate)	12,946	1,107,204.18

J.O.M. and TITLE IV-PART A Funding 1976-77

SCHOOLS	JOM FUNDS[1] 76-77	TITLE IV COUNT[3]	TITLE IV FUNDS 76-77
A. Minnesota Chippewa Tribe: J.O.M. Schools			
1. Bagley ISD #162	$ 24,031.00	219	$ 27,339.37
2. Bemidji ISD #31	29,280.00	240	29,960.96
3. Blackduck ISD #32	15,309.00	62	7,739.91
4. Carlton ISD #93	25,666.00	70	8,738.61
5. Cass Lake ISD #115	61,208.00	463	57,799.68
6. Cloquet ISD #94	41,425.00	214	26,715.19
7. Cook County ISD #166 (Gd. Portage)	14,500.00	93	11,609.87
+ Basic Support	23,100.00		
8. Deer River ISD #317	44,850.00	284	35,453.80
9. Grand Rapids ISD #310	9,395.00	162	20,223.64
10. Hinckley ISD #573	8,057.00	31	3,869.95
11. Isle ISD #473	8,535.00	13	1,622.08
12. Mahnomen ISD #432	26,205.00	235	29,336.77
13. Nashwauk-Keewatin ISD #319		21	2,621.58
Basic Support only	29,994.00		
14. Nett Lake ISD #707	39,150.00	91	11,360.19
+ Basic Support	32,700.00		
15. Onamia ISD #480	35,120.00	144	17,976.57
16. Pine Point (Park Rapids ISD #309)	90,000.00[2]	92	11,485.03
17. Remer ISD #118	33,647.00	120	14,980.48
18. Sandstone ISD #576	16,905.00	24	2,996.09
19. St. Louis County ISD #710	16,696.00 (Brookston) 33,900.00 (Orr)	207	25,841.32
20. Tower-Soudan ISD #708	10,488.00	35	4,369.30
21. Walker ISD #119	29,578.00	105	13,107.92
22. Waubun ISD #435	35,855.00	349	43,568.23
+ Basic Support	25,961.00		
SUB-TOTAL: Minn. Chippewa Tribe	$761,555.00	3,274	$408,717.34

(1) These represent current requests and may be reduced when final allocations are decided.

(2) Pine Point may receive additional funds in either basic support or supplemental, but final allocations are predicated on final allotments from B.I.A.--which are not yet definite.

(3) Count was conducted November '75 for 1976-77 entitlements.

[illegible]

SCHOOLS	JOM FUNDS	TITLE IV COUNT	TITLE IV FUNDS
B. Sioux Communities: J.O.M. and Title IV			
1. Granite Falls ISD #894	$ 5,973.15	32	$ ---
2. Morton ISD #652	6,719.80	31	---
3. Red Wing ISD #256	4,778.55	28	3,495.44
4. Shakopee ISD #720	2,986.60	25	3,120.93
SUB-TOTAL: Sioux Communities	$ 20,458.10	116	$ 6,616.37
C. Red Lake			
1. Red Lake ISD #038	$297,178.75	872	$108,858.15
SUB-TOTAL: Red Lake	$297,178.75	872	$108,858.15
D. Urban Communities			
1. Duluth ISD #709	---	678	$ 84,639.71
2. Mpls. Special Sch. Dist. #1	---	3,028	378,007.45
3. St. Paul ISD #625	---	1,081	134,949.16
SUB-TOTAL: Urban Communities	---	4,787	$597,596.32
E. Rural and Suburban			
1. Anoka ISD #011	---	316	$ 39,448.59
2. Aurora ISD #691	---	31	3,869.95
3. Centennial ISD #012	---	103	12,858.24
4. Chisholm ISD #695	---	36	4,494.14
5. Coleraine ISD #316	---	218	27,214.53
6. Columbia Heights ISD #013	---	23	2,871.25
7. Crookston ISD #593	---	22	2,746.42
8. Detroit Lakes ISD #022	---	229	28,587.75
9. Dilworth ISD #147	---	16	1,997.39
10. Ely ISD #696	---	27	3,370.60
11. Eveleth ISD #697	---	30	3,745.12
12. Forest Lake ISD #831	---	420	52,431.68
13. Fosston ISD #601	---	58	7,240.56
14. Frazee ISD #023	---	129	16,104.01
15. Hibbing ISD #701	---	15	1,872.56
16. International Falls ISD #361	---	200	24,967.46

(Continued on next page)

SCHOOLS	JOM FUNDS	TITLE IV COUNT	TITLE IV FUNDS
E. Rural and Suburban (cont'd.)			
17. Little Fork ISD #362	---	21	$ 2,621.58
18. McGregor ISD #004	---	25	3,120.93
19. Mounds View ISD #621	---	157	19,599.46
20. Mountain Iron ISD #703	---	28	3,495.44
21. Park Rapids ISD #309	---	90	11,235.36
22. Pipestone ISD #583	---	28	3,495.44
23. Proctor ISD #704	---	105	13,107.92
24. Robbinsdale ISD #281	---	212	26,465.51
25. Roseville ISD #623	---	22	2,746.42
26. Stillwater ISD #834	---	71	8,863.45
27. So. Koochiching ISD #363	---	30	3,745.12
28. So. St. Paul ISD #0065	---	25	3,120.93
29. So. Washington County	---	40	4,993.49
30. Staples ISD #793	---	62	7,739.91
31. Virginia ISD #706	---	37	4,618.98
32. Warroad ISD #690	---	56	6,990.89
33. White Bear Lake ISD #624	---	26	3,245.77
SUB-TOTAL: Rural and Suburban		2,908	$ 363,026.85
GRAND TOTALS: MINNESOTA	$1,079,191.85	11,957	$1,484,815.03

Dr. **Antell.** Mr. Chairman, my name is Will Antell, Assistant Commissioner of Education of the Minnesota State Department of Education.

My major responsibilities are those of managing the types of special and compensatory programs including Indian education. The Deputy Commissioner of Education is also with me this afternoon and will be commenting about the foundation aid program in Minnesota, and both of us will have some comments about some of the regressive impacts recent rules and regulations of Johnson-O'Malley have had on our state.

The request for us to testify was to point out to members of the Congress the financial aid structure of supporting public education in our state and specifically how it impacted on school districts serving Indian students. We have attempted to do that by pointing out a selected number of schools, the kinds of resources they have, how they compare with the rest of the state, where the source of dollars to support that school system comes from.

We also talk about the P-T ratio, pupil-teacher ratio, and also point out the amount of income behind each student in a given school district.

We also point out that Minnesota spends an awful lot of money for educating its citizens. That includes Indian citizens who attend the public schools in our state. I might comment also that we do not have any boarding schools, any BIA boarding schools. All of the students in our state attend the public schools or in some cases private schools that are located on reservation.

In recent years, however, there have been attempts and successes of developing alternative schools either within the public school system or outside it.

A third point that we make is when one looks at the total amount of dollars spent by the school district, initial impact is one of impression because the dollars appear to be quite substantial. If you translate that into ADM, you come up with a substantial amount of money behind each student. Given the fact that we put a lot of money behind each student in our regular foundation aid program and that we also qualify for Title IV of the Indian Education Act and Johnson-O'Malley and impact aid, and then as we look at the compensatory programs in our state such as special education, transportation——

Mr. KILDEE. The reason for this change is that the House is in session today and so we are running back and forth at the start of the noon session.

Dr. ANTELL. The reason behind this is that many of these programs are so categorical in nature it is difficult to disburse them across the total educational school system. That is the point we want to emphasize, that we feel in many respects very pleased in support of Title IV of the Education Act. It has had a very positive impact in providing opportunities for Indian people to make decisions about educational programs that affect their children's lives.

On the other hand, as we look at also the same kind of direction that the Johnson-O'Malley is taking, we see two programs in a sense that have to be very, very carefully planned by those local committees, so there is not any semblance of duplication.

We would much rather see a federal policy where rather than moving more and more to categorical aides such as Johnson-O'Malley in recent years, to give those local communities more option in spreading those dollars across the school district needs. We say that in particular where the majority of the students are Indians and where there is no possibility that one could say these dollars are being spent for the education of non-Indian students. I know some of the history of that and that was always a very legitimate concern that people had. In many of our schools where there is nearly 100 percent Indian students, we feel it would be justifiable for the Federal Government and perhaps the Congress to make that provision so those dollars could be best used in the basic operation of a school.

The question is, why would we consider recommending that? I think if we look at the history of Indian education over the last few years we obviously are looking at a segment of our population that is trying to catch up. Even though school systems across the nation are innovative and very aggressive about change, we have not narrowed that gap the way we think we should. It seems logical, I think, the Congress would agree, that the notion behind Title I is that there is a need for a certain segment of the educational community. Likewise, it holds with Indians, and we would like to see those kinds of dollars being spent in a compensatory nature revolving around the basic skills.

Let me illustrate one point. The Congress has supported very, very adequately, and I hope even more adequately over the next few years, ESEA, Title I. It has its ups and downs. At least in our state we are comfortable with it, but obviously we can only present those programs through three programs. It is not enough and in particular it affects Indian children even more dramatically because research bears out consistently that beginning at grades 3 through 7 there is a regressive phenomenon that happens to these children. Some people call it the cross-over effect. Many of the researchers have pointed out that this becomes kind of a crucial age. Yet where we can use compensatory programs for basic skill programs we are not able to provide those resources.

I would concur with comments of the committee members and those testifying that we need to look at a new formula distribution for the disbursement of Johnson-O'Malley and Title IV.

Mr. Chairman, that in a sense summarizes the statement. It would be appropriate I think for the Deputy Commissioner of Education of Minnesota to provide a little history of how Minnesota has proceeded to finance public education in our state and how it affects more specifically the schools that serve Indian students.

Mr. GRABA. Mr. Chairman and members of the committee, Minnesota has undergone a major school finance program in the 1971 legislative session, and its total impact is still to be felt. We began the program with the 1972-73 school year and as there were many students prior to that time, we had tremendous inequities with respect to tax burden in our state and we had tremendous inequities with respect to the amount of revenue available to educate children. We haven't been successful obviously in eliminating all of those, but we have come, I think, a substantial distance from where we were prior to that major reform.

Our system basically is designed to create a state aid system that reacts to local property wealth, in an attempt to ensure that any child, regardless of the quality of the property and the quantity of the property in a school district, will have available approximately the same amount of dollars for educational purposes.

We use a formula which is established by the State Legislature, and multiply that formula amount times the number of pupil units, and that is something that other people around the Nation have trouble with, but we use a pupil weighting system in Minnesota and then we deduct from that total sum of money an amount raised by an equal millage around the State in all school districts, and that becomes a basic financing mechanism for the general operations of the schools.

When we enacted that, of course, we also recognized that not all districts had equal children in them, and that there was, in fact, educational overburden. So in the 1971 session and in the 1973 session and again in the 1975 session we added an AFDC weighting mechanism, a mechanism designed to put additional dollars, all State dollars, into school districts that have first of all in the low percentages any AFDC children, and then as the concentration increases, they receive increasing amounts of State aid for those children. Now we recognize that AFDC is not an excellent barometer of educational overburden, but we think it's about as good as anything else that has been developed to date, and consequently we are fairly satisfied with it.

In addition to that basic funding mechanism, we use a categorical aid for handicapped children; we refer to it as special education aids.

Our transportation aid is totally equalized around the State, and about 90 percent State funded, and then we also have a secondary vocational aid.

Generally speaking, the school districts receive the categorical aids based upon specific needs within those districts, special education, vocational, and, of course, transportation. The problem that we have is that within the general education system we have not been able to develop a weighting mechanism in our basic funding formula that adequately treats the degree of overburden that exists in this handful of Indian schools we have in our State.

The inability to use those Federal revenues in that general fund makes it difficult for us too, and in my opinion, somewhat penalizes us for doing as well in the categorical areas as we do with our existing system.

I know Minnesota ranks high; I believe we rank fourth or fifth in the Nation in terms of per capita expenditures on education. All of the districts that we are referring to here today have average expenditures in excess of $1,700 per pupil and in one case runs very close to $3,000.

These figures are for the last school year, and not the current school year, and the current school year obviously will be substantially higher. I believe that the degree to which we fund the various educational programs makes it more difficult for us to adequately utilize those categorical funds from the Federal sources.

I guess I would just conclude and go to questions.

Mr. KILDEE. On your weighting mechanism where you put extra dollars based upon the AFDC, have you ever thought of using testing as a means of determining where extra dollars should be as an alternative to the AFDC?

Mr. GRABA. Yes, Mr. Chairman; we have discussed that.

Our concern is that the one thing that the State likes about AFDC is it's an external determinant, and not influenced by the school district. The State Department of Welfare certifies to us the number of AFDC children in each district. The school districts do not have an incentive to alter that figure.

Mr. KILDEE. You figure it's a more objective criteria?

Mr. GRABA. Yes. Our concern with testing has been that it may—and may unilaterally—put us in the position of rewarding school districts for not doing a good job, and penalizing districts that have, in fact, been doing a good job, and have a negative impact on the system.

Unless one could do some testing prior to the time that the district and the quality of education has had an impact on a child, I think that is a constant potential problem.

Mr. **Kildee**. We attempted to do the opposite in Michigan; we watched Minnesota. I served on the Appropriations Committee in the Michigan Legislature for several years, and we watched you very closely, because you are innovative in your method of funding education. We had attempted to remedy that. We reward or give punishment for the wrong reasons by indicating that if you did fall short of goals, that if you were tested and did not improve, then you would suffer a penalty. However, when it came to applying the penalty, of course, we never did really apply it, but it is difficult to find a weighing mechanism that will accomplish that which you wish to accomplish.

Mr. **Graba**. Yes, Mr. Chairman. Obviously AFDC children are not as a category, in need of additional attention, with respect to specific children. Of course, we considered using income as well, but it is I think an indication, and I guess I would say, Mr. Chairman, I think it's an indication of the concern in the legislature that American society does not adequately emphasize the degree of education that occurs in the home, and the fact that families are drawing AFDC is an indication, in at least the opinion of some legislators in Minnesota, of a degree of social disintegration with respect to the family and probably a decreased amount of learning occurring in those homes, and consequently a need for the schools to attempt to compensate for that lack of learning.

Mr. **Kildee**. I will defer any questions to staff. Staff has questions also.

Mr. **Bragg**. Joe, you talked a little bit about the per pupil cost and the per pupil unit. Then you said something about $1,700 to $3,000 per pupil. Now, is that on an ADM or head count basis, or does that include then all of what you call phantom students and so forth?

Mr. **Graba**. No.

Mr. **Bragg**. Could you explain the phantom student to us, please?

Mr. **Graba**. Yes. That is a word I am beginning to regret having coined. In Minnesota we use the AFDC weighing to allow districts to generate additional aid. We also allow districts to count for aid purposes some of the pupil units of previous years, in the declining districts in an attempt to recognize that school districts cannot adequately scale expenditures down in direct proportion to declining enrollment.

We also have what I personally think is a less legitimate factor, and that is a fast growth aid, in school districts undergoing rapid growth, they generate additional aid by additional units. Those are the three categories which create phantom units in our foundation aid system. They are there simply in an attempt to allow districts to generate additional revenue because of certain circumstances within the district.

The figures, however, that I gave you are different from the figures that you have in your printed material, because I converted the enrollment computation from units or the expenditure computation from unit to enrollment, and I have those figures and will be able to give them to you if you like.

Mr. **Bragg**. Thank you. You referred in your written comments to dilution of available JOM moneys to the reservations because of pressures toward putting more JOM money in the urban areas. Where is that trend coming from or that pressure, and how does the State Department view that?

Mr. **Antell**. Mr. Chairman, I think the notion behind the reservation areas concerned is obviously they already have seen a tremendous decrease in the total allocation of Johnson-O'Malley moneys versus a year before, and the year before that, concern where other States were not making the same kind of attempt as Minnesota was and were the beneficiary of that. They see this also internally for Minnesota where potentially, and if you look at the count, the title IV count versus the Johnson-O'Malley count, if suddenly one has to disperse the slightly over $1 million to 90 some school districts rather than 30 some school districts, obviously Congress is either going to have to appropriate more money or there will be less amounts of dollars.

We have not taken a firm position in the Department on that, primarily because this relationship at the present time is strictly between the Federal Government and the Tribes in our State. We have no responsibility in terms of determining count or determining contents of programs or whatever for Johnson-O'Malley. From a personnel point of view, I would guess that the Tribes would see this as a tremendous decrease in the resources that they have now.

Mr. **Bragg**. Following up on that, Mr. Antell, what distinction, if any, does either the State Department or the Minnesota Legislature make between the reservation and non-reservation Indians in Minnesota?

Mr. **Antell**. Mr. Chairman, the State Legislature in its appropriations for dollars affecting the Minnesota Indians makes relatively few, if any, references to rural or urban, or rural or non-reservation. Our scholarship program is a very substantial one, and that is available to Indian people throughout the State.

Occasionally there will be a reference to the Indian Affairs Intertribal Board, which was some indication that the Legislature was moving more to looking at the elected representatives. There were no dollars involved in that. It was more of a voice and who spoke for whom kind of philosophy, who seemed to change in the last legislature. There have been programs for housing, for employment opportunities, economic development and in some cases there have been programs for other social services such as chemical dependency and drug programs that the legislature has funded. The mechanisms have been generally through the Tribes, but available to everybody throughout the state, so I think philosophically they are moving to looking to the Tribes for advice and counsel, but not discriminating against people just because they don't live on a reservation.

Mr. **Bragg**. In Minnesota you have one experimental school, a couple of different types of so-called alternative schools. Could you describe a little bit the various types of alternative education that is avaiable to Indians, and tell us how the State Department or the public sytem would relate to these?

Mr. **Antell**. Mr. Chairman, there are, I suppose you would have to say, there are basically three kinds of alternative programs or experimental programs. The first one is one that I think is somewhat indicative of the kind of support Indian education and Indian people have gotten in Minnesota, and I am sure that Joe could speak to that because he was one of the legislators that passed the enabling legislation in 1973 to permit Park Rapid and Pine Point to separate in a sense, from a consolidated school district into one which was a subpart of, but it gave the control mechanism to the Indian community at Pine Point and they could operate their own school. That is an experimental school that carries with it enabling legislation by the State Legislature.

A second one is at Net Lake, where they were going to be forced to consolidate because they had no secondary unit. The Legislature saw fit to provide the Net Lake community with control of their school and also passed enabling legislation.

A second kind is an alternative school within the public school, and there we have anywhere from three to six, and I am not sure if I am accurate on the number. I know of at least three. Those have had their ups and downs, and those are the ones that have caused a problem for us, and that is when you begin to separate students for over a certain portion of the day or a number of periods per day, you run into civil rights and desegregation laws and state laws that come in conflict with the philosophy of that particular program.

The final alternative school is one that operates strictly on the basis as a private school in our state would operate. They are not connected with the public school. However, they are generally not religious supported. They are supported basically by the Federal Government.

Mr. **Bragg**. In the public school districts in Minnesota where you have buildings that are almost entirely used by Indian children, you have a couple of elementary schools that within a district are almost entirely Indian, what kinds of capital expenditures have been made there say in the last ten years, and what kinds of facilities do you have, how much of a problem is this?

Mr. **Antell**. I would say in terms of the total capital expenditure I couldn't give you a figure on it, but it would probably not be substantial.

I would say in the case of Pine Point, there have been substantial capital outlays, not necessarily generated by, through any bond issues or anything like that. They have the ability to levy, but not much, but they did get resources from outside the State of Minnesota to do a great deal of remodeling. That same school just received another $1 million to build onto it from EDA.

The other schools I can think of, Wobbins school district, the White Earth, have made substantial improvements, I know when we were working with Johnson-O'Malley, but that has been like three years ago or so.

Very little is done in terms of remodeling by building, because there would be no need for that. In terms of maintenance, I would say that they are pretty well maintained buildings. The Grand Portage is another example of a well maintained school building in the school system.

Mr. **Bragg**. One last question, Mr. Chairman.

You talked a little bit about giving more options to the district, local district, and you referred in your testimony to need for basic support. If you were to redesign the Federal programs, how would they, to best accommodate Minnesota students, how would you do this?

Would you reinstate JOM basic or what kinds of things would be most advantageous to accommodate Minnesota Indian students?

Mr. ANTELL. I have given this matter a lot of thought over the years, and I guess I am still a minority within a minority. I think as long as the Federal Government determines a national policy on Indian education, that states like Minnesota are going to continue to, in a sense, be penalized for trying to do a better job of educating its people. I think, as I have listened to Dillon through the years, and listened to people from Arizona through the years, and I have listened to people from Michigan, Alaska, New York, all over, there are some diversities within a State, and there are so many diversities between and among the Tribes, that for the Federal Government to continually talk about a quite restrictive national policy is going to continually have a regressive impact on what I consider a state's obligation and responsibiity to provide the resources and provide the enabling legislation and opportunities for those people to exercise good judgments in running schools that affect their children.

I would like to see this Federal Government clarify some issues, the civil rights, the desegregation issues, to clarify more in terms or consolidate the Federal resources available, and then require the states, in cooperation with the Tribes and Indian citizens to develop their own policies, and I have heard people with horror stories about states. I, over a long period of time, am convinced that unless that happens, the Federal Government will still be patch-working this kind of effort five years from now, ten years from now, et cetera.

Where the resources are and where the people are closest to the problem, I think that is where the policy has got to evolve from. So, I see the danger right now in Johnson-O'Malley and Title IV, because of its national scope, and how it impacts in one area and how it impacts in another area. I am afraid that that program, those programs, are going to run into serious trouble unless we do build in mechanism for flexibility. If the Indian community in Minnesota feels that they can make judgments about whether or not you should have basic support or supplemental programs, I feel that option should be there for them.

That doesn't mean the State telling the local districts you have to use it for basic support, but with proper mechanisms where the Tribes in the Indian community could make the decision I think is much more appropriate than using national averages or high ends of the national average or low ends or wherever it is to determine whether or not those resources can be spent and how maybe Indian people want them to be spent.

Mr. BRAGG. Thank you, Mr. Chairman.

Mr. KILDEE. Does the majority counsel have questions?

Mr. LOVESEE. We would rather send our questions in writing: perhaps have an exchange of a series if there is any need for clarification of the written answers.

Mr. **Kildee**. I want to thank all of the witnesses today.

We will recess and reconvene tomorrow morning at 9:30 a.m., in room 2257.

The record will be kept open for submissions by two other groups who requested that, and the staff, as indicated by the Majority counsel, will be sending written questions for further answers.

We thank you very much.

Mr. **Antell**. Thank you very much, Mr. Chairman.

[Whereupon, the subcommittee recessed at 1:30 p.m., to reconvene Wednesday morning, May 18, 1977, at 9:30 a.m.]

[Material submitted for inclusion in the record follows:]

United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
WASHINGTON, D.C. 20242

IN REPLY REFER TO:
BCCO 8177

JUL 28 1977

Honorable Michael T. Blouin
Chairman, Advisory Study Group on
Indian Education
Committee on Education and Labor
House of Representatives
Washington, D.C. 20515

Dear Mr. Blouin:

This is in response to your letter of June 13, 1977 requesting certain information to be incorporated into the printed hearing record of the Subcommittee of Elementary, Secondary and Vocational Education of May 17, 1977.

Enclosed are the Bureau's responses to the questions for the record. Should you wish additional information please feel free to contact us.

Sincerely,

Raymond V. Butler

Acting Deputy Commissioner
of Indian Affairs

Enclosures

Bureau of Indian Affairs

Answers to Questions, Congressional Study Group on Indian Education

July 1977

1. Please give us a statement of the current status on the following items:

   a) Statements of the Bureau's present goals and objectives proposals.

   Answer: These are found in 62 BIAM Sec. 1, dated 12/8/53, a copy of which is attached. Also attached is a proposed revision.

   b) Questionaire to Area and Agency and tribal leaders asking for input on programs to be banded.

   Answer: The findings of the questionaire are published in Hearings before a Subcommittee of the Committee on Appropriations, House of Representatives, Ninety-Fifth Congress, First Session, Part 4, Pages 821 through 823. Basically the findings are as follows:

   The attached tables summarize the main results of the inquiry on this subject. There were 65 returns. They came from the following types of respondents: 11 tribes with their own Agency (Cheyenne River, Turtle Mountain, Southern Ute, Ute Mountain, Zuni, Flathead, Fort Peck, Minnesota Chippewa, Cherokee, Navajo and Colville); 16 tribes in multi-tribal Agencies (Fort Sill Apache, Iowa, Cook Inlet Region, Alaska Federation of Natives, Grand Camp of Alaska Native Brotherhood, Kawerak, Red Cliff, Stockbridge-Munsee, St. Croix, Bad River, Cortina, Fort Bidwell, Los Coyotes, Santa Ynez, Soboba and Trinidad); 32 BIA Agencies, many of which conferred with tribes in developing their replies; and 6 Area directors. In 3 other Area Offices replies were received only from program directors, and these were not counted because the trade-off aspect of the band analysis requires overall responsibility.

   The response from tribes has to be taken as illustrative only, because too few replied to be considered as necessarily reflecting the total opinion of all tribes.

   One table summarizes responses concerning programs to add to the band. Sixteen programs had been listed, and these are shown in the table. In addition to these, Welfare Grants was suggested by three responses, and each of the following received one response: Alcoholism programs, IMPL, Tribal Trust funds, Student transportation, and Water surveys. It may be noted that some of these are part of programs that are already on the band.

A second table summarizes responses concerning programs to remove from the band. Several respondents wanted airstrips removed because it did not apply to them, but this is not a valid reason for removing a program.

Responses concerning ways to improve tribal input to the budget process covered the waterfront. Frequent suggestions were:

More time.

Tribes want more information about non-banded programs and more input to the amount and the distribution.

Agencies should provide more detail on the categories of expenditure in each program, and the accomplishments resulting.

Inform tribes of allotments when they come, and expenditures during the year.

Multi-tribal Agencies and tribes in such Agencies, continued to report problems in reaching agreement on priorities. The solution most frequently proposed is more money.

For programs added to the band, the usual suggestion was that the base should be the same as the previous year, with perhaps some allowance for cost increases.

(Tables on next two pages)

SUMMARY: ADDITIONS TO 1979 BANDS, BY TYPE OF RESPONDENT, AS OF 3/1/77 BIA STATISTICS 3/1/77

	No Additions	Scholarships	JOM Base	Prev. Private Schools	Self-determ. Grants	Self-determ. T&TA	Comp. Plann.	Tribal Courts Base	Deten. Base	Law Enfor. Base	OJT	IAT	Bound. Survey	Forest. Imp. (add on)	Irrig. Const.	HA&I	Road Const.
11 tribes with own Agency (inc. Minn. Chipp.)	2	4	2	2	2	2	3	2	2	2	3	4*	2	1	2	2	2
16 Tribes in Multi-tribal Agencies (inc. Cook Inlet & A.F.N.) (omit Red Cliff)	2	4	3	1	7	4	4	1	1	2	5	4	4	0	1	4	7
32 Agencies (some with tribal participation)	5	12	6	3	8	6	7	12	12	13	9	11	6	6	7	5	6
6 Area Office Directors	1	4	3	2	3	3	4	3	3	4	2	3	3	1	1	3	4
Above 65 Replies	10	24	14	8	20	15	16	18	18	21	19	22*	15	8	11	13	19

* (3 opposed)

SUMMARY: REMOVALS FROM 1979 BANS, BY TYPE OF RESPONDENT, AS OF 3/1/77

	Tribes		Agencies	Area Directors	Total
	No Agency	Multi-Tribal Agency			
Total Respondents	11	16	32	6	65
No Removals	8	8	24	5	45
Education & Training-general			1*		1
School Operations			2*		2
Vocational Training-Institutions			2		2
Higher Education institutional assist. (NCC, Lakota Sinte Gliska)		1	2 (1 opposed)		3 (1 opposed)
Special Education Experience			1		1
Youth Work Program (part of Aid to Tribal government)			1		1
Social services		1			1
Road maintenance	1			1	2**
Airstrip maintenance		5	1		6
Trust services - General			1*		1
Environmental quality services			2		2
Real estate services			1*		1
Financial trust services		1	1*		2
National resources - general			1*		1
Forestry			1*		1
Mineral and Mining			1*		1
Wildlife and Parks		1			1
Facilities O&M	2		1*	1	4
Executive direction			2*		2
Program development and budget			1		1
Safety management services			4*		4
All other administrative services			2*		2

* 12 programs were checked at one Agency (Northern Pueblos).

** (Navajo tribe and Area)

c) Recommendations for a foundation system and a formula for funding.

Answer: At the present time the project regarding establishment of a financial funding program for schools funded by the Bureau is progressing. It was recently determined that, because of manpower limitations, the Office of Indian Education would seek assistance from outside the Bureau in order to complete the project. Meetings were held with personnel from the National Institute of Education and the Ford Foundation to discuss the project and evaluate our position. Following these meetings, contact was made with staff members of the National Conference of State Legislatures to determine if they would be able to assist in the detail work necessary to develop a financial foundation program which would be responsive to the needs of the schools funded by the Bureau. The National Institute of Education, the National Conference of State Legislatures, and the Education Commission of the States are all providing resources to assist in the development of the project. We anticipate significant progress to be made by December 1977.

d) Bilingual, Early Childhood Handicapped, and Boarding School Policy recommendations.

Answer: Bilingual Education - That a strong program of bilingual-bicultural education be provided all children with language backgrounds other than English when competent assessment of bilingual educational needs indicates such programs would be in the best interest of the child.

Early Childhood - That a preventive, tribally-controlled early-childhood education program serve as an administrative framework to provide for delivery of comprehensive child/family-centered education (including health, psychological, and social services) to children from birth through age eight and their families; training for all those responsible in these areas; and a mechanism at all appropriate levels for effective program direction and coordination.

Education of the Handicapped - That every handicapped person otherwise eligible for enrollment in a BIA school, from birth through adulthood, shall be provided with a comprehensive educational program and services appropriate to this needs, regardless of the severity of the handicap.

That parents/guardians rights and childs rights shall be insured by (a) providing the parent/guardian with pertinent information concerning the referral, (b) the provision of a child-selected advocate, (c) the provision of an education planning and placement council (EPPC) process, (d) the parent/guardian approval of placement, (e) a comprehensive professional assessment of the child, and (f) an EPPC re-evaluation every two years, or sooner upon request.

That each BIA Area Education Office prepare and keep current a comprehensive educational plan to insure the delivery of services to each identified child or youth, and shall be responsible for the coordination and administration of these services.

Boarding Schools - That the authority and responsibility for education of Indian children should be decentralized; that the decisions affecting individual children should be made as close as possible to each child and family, by those who best know the child.

That the basic goal of the formal and informal curriculum should be to produce useful skills and attitudes.

That all programs on behalf of Indian children, particularly the younger children, should be so designed and administered as to reinforce the family unit rather than to ignore or undermine it.

That each individual boarding school should be so restructured as to have its own special educational character.

e) Plans were being made to implement the GAO recommendations for an education management system. Where do these stand?

Answer: The recommendations for the GAO were in two parts. The first involved providing information on academic aptitude and achievement levels of students. The second related to providing program-oriented financial management reports.

We realize the importance of education program managers and teachers having meangingful information available on the academic aptitude and achievement levels of students. As you know, there is a great deal of controversy concerning the use of nationally available standardized tests. Some testing is done using these tests but no attempt had been made to have the results of these tests collected for use in program development and/or evaluation. We are investigating the possibility of providing a centralized test scoring service which will enable us to comply with this GAO recommendation.

The administration is in the process of developing a financial accounting reporting system which will be able to provide additional information.

2. What is the Bureau policy on contracting? Where is this found and what steps have been taken to ensure this policy is followed?

Answer: The Bureau's policy on contracting is embodied in the preamble to P.L. 93-638, The Indian Self-Determination and Education Assistance Act and in the regulations which govern that Act, 25 CFR 271-277.

Briefly, that policy encourages Indian tribes to take over the operation of programs for their benefit under contract which have been or are authorized to be operated by the Secretary. To ensure that the policy is carried out, the Act directs the Bureau to enter into such contracts within specified time frames or to decline to contract only based on three delineated criteria. Other contracting authorities also still exist, such as the Buy Indian and Johnson O'Malley Acts, although in most cases, P.L. 93-638 proves more expeditious for Indian tribes.

3. What steps are being taken to improve the Bureau's ability to evaluate and monitor its education programs?

Answer: The need to improve the Bureau's capability to monitor and evaluate its education programs is well documented. In an effort to accomplish this, the Bureau is conducting an in-depth needs assessment in conjunction with the U. S. Office of Education. This study will include Federal support for non-Federal schools, an analysis of total Federal State and local funding for each school eligible to participate in the previously private or Johnson O'Malley programs, and other education program management improvements. A further internal needs assessment is being undertaken to determine the long and short range educational needs of each BIA school. This information will be used for budget planning for both programs and construction. Particular attention will be given to the needs in bilingual, early childhood and the education of exceptional (gifted and handicapped) children. With such needs accurately identified, the task of measuring success and evaluating effectiveness will be much easier to carry out. In FY-79, plans are being developed to establish a training program for people responsible for the monitoring of contracts. This is seen as one way to provide accountability in this area where many problems and shortcomings have existed in the past.

4. What is the Bureau's stand on S.1215? Is it realistic to expect increased funding for community colleges while the funds sought are on the band analysis?

Answer: Last year the Bureau opposed support to Indian controlled community colleges such as that found in S.1215. This year legislation has been reintroduced and Senate hearings are scheduled for the near future. Bureau policy on the matter is not yet final but will be made so prior to the hearings.

It is not realistic to expect increased funding for community colleges while the funds are in the band. Such increases can occur only from funds added to the top of non banded sources.

5. Currently a problem affecting Bureau education is the lack of a policy statement outlining federal-state responsibility. Has the Bureau taken steps to formulate its position on this responsibility? How can this problem be resolved?

   Answer: The Bureau of Indian Affairs has held that Indians, as citizens of their respective States, are entitled to all the benefits and responsibilities, except those excused by law, as other citizens of the State. Therefore, with regard to education, Indian students are entitled to the same benefits from the State as any other student. In addition, because of treaty rights, executive orders, or other administrative determinations, the Bureau provides a system of education to meet the eoucational needs of Federally Recognized Indian students of one-foruth (1/4) or more Indian blood. The presence of the Bureau's system does not excuse the State of their basic responsibility. It must be available to any Indian student who chooses to attend, and on the same basis as such attendance is available to any other student of the State. The Bureau's role, in these cases, is to provide additional resources to meet the unique educational needs of Indian students over and above those provided through the State. The Bureau has not taken steps to formalize its position.

   The positions of the Bureau and States should be resolved through cooperative discussions of positions. Any such cooperative discussions should include tribal governments residing within the State or States.

6. How is the current reorganization of the Central Office of Education Division progressing? Allegations have been made that Civil Service regulations have been violated in the transfer of duties, personnel, assignment times, etc. What actions have been taken to pursue these allegations? How much longer will this reorganization take?

   Answer: Currently the implementation of reorganization of the Central Office of Indian Education has been placed in a holding pattern. The Under Secretary decided to hold up Education reorganization until a new Assistant Secretary of Indian Affairs was appointed and given the opportunity to review the total organizational structure of the BIA. Additionally, the Civil Service Commission has ordered a halt to the implementation of the reorganization proceedings until the results of the audit of the Indian Education Resources Center (IERC) are established.

CHAPTER 1

ADMINISTRATIVE ORGANIZATION

Section 101. General Information Relative to Program.

.01 Objectives. The basic educational objective of the Bureau of Indi Affairs is to assure adequate educational opportunities for all Indian children of one-fourth or more degree of Indian blood withi the continental United States and Alaska. This basic objective includes the following:

A. To obtain school facilities for eligible Indian children not now in school.

(1) To increase enrollment of children in available public and Federal schools.

(2) To secure construction of needed school plants through applicable laws and appropriations. For example, Public Law 815, 81st, Cong. (64 Stat. 967) as amended August 8, 1953 (67 Stat. 522), and Navajo-Hopi Rehabilitation Act, 81st Cong. (64 Stat. 44).

(3) To provide temporary facilities to meet emergency situations

(4) To initiate other less traditional arrangements for providing educational oportunities for children in isolated family units.

B. To carry out an effective program for children in Federal schools designed to prepare Indians for successful living.

(1) To develop in children basic academic skills.

(2) To give children an understanding of the social and economic world and to help them secure improved standards of living.

(3) To develop understandings and practices which will assure optimum health.

(4) To provide vocational training which will qualify youth for gainful employment.

(5) To provide adequate training for [illegible] living to enter special schools and institutions of higher learning.

(6) To make available financial aid and other assistance to qualified students seeking advanced training.

(7) To provide guides for planning and conducting local school programs based on the needs of children.

(8) To develop materials and teaching aids.

(9) To provide opportunities for professional growth of employees through in-service training, conferences, seminars, workshops, meetings, advanced courses.

(10) To provide for research and surveys.

(11) To provide technical consultation in guidance, health education, home living, and other fields.

C. To secure for all Indian children the educational opportunities provided for other citizens through our system of public education.

(1) To transfer the operation of Federal schools and school plants to public school districts through orderly procedure.

(a) To secure the active participation of local Indians, employees, and public school officials and patrons in all phases of the transfer.

(b) To propose transfers to local school districts title to school lands and property.

(2) To assure adequate educational programs in public schools enrolling Indian children.

(3) To provide financial add to qualifying public schools.

D. To develop on the part of Indian groups, State and local school officials recognition and acceptance of their full responsibilities for the education of Indians.

(1) To furnish adequate information concerning responsibilities and [illegible] mining decisions.

(2) To cooperate with other groups in formulating principles underlying responsibilities.

E. To retain the valuable elements of Indian life and to strengthen the pride of Indian groups and the recognition by non-Indians as to the contribution of the Indian heritage to the national life.

(1) To include information regarding the various Indian cultures in the school curriculum.

(2) To interpret Indian cultural values to non-Indian groups.

F. To secure regular school attendance of all Indian children until they graduate.

(1) To cooperate with parent-teacher associations and local organizations in securing acceptance by Indians of responsibility for regular attendance.

(2) To cooperate with officials in securing enforcement of applicable attendance laws when other means fail.

G. To appraise periodically the need for boarding schools.

(1) To accept applicants for boarding schools on the basis of established criteria and admit only those for whom adequate provision cannot otherwise be made.

(2) To close boarding schools which established criteria indicate are no longer needed.

.02 Authority. Administration of the Indian School Service is vested in the Commissioner of Indian Affairs, subject to the direction of the Secretary of the Interior. (Act 35 Stat. 72; 25 U.S.C. 295)

.03 Policy. It shall be the policy of the Bureau of Indian Affairs to accomplish these objectives either directly or by arrangements with States, public or mission schools. Wherever adequate school facilities are available, Indian children shall be enrolled in the local public schools. Where such facilities are not available, Indian children may be enrolled in Federal Indian schools.

.02 Area Administration. In line with policy directives issued from the Central Office, the responsibility for education administration at the area level shall be vested in the Area Director, who shall discharge this responsibility with the assistance of a staff which may consist of an Area Educationist with over-all administrative experience, and such Education Specialists in the fields of elementary education, home economics, health education etc., as may be provided within available funds.

A. Area Educationists. Area Educationists shall collaborate with Superintendents in formulating and inaugurating education programs, based upon the resources of the reservations and adapted to the needs of the Indian children who are enrolled in the boarding and day schools; evaluate and check on conduct of reservation programs to determine whether or not they conform to the over-all objectives and policies of the Bureau; develop and maintain good relationships with State and public school authorities; appraise the work of education personnel and recommend modification in procedures to increase efficiency; and assist Superintendents and their staffs in the preparation of plans and budget estimates for the effective operation of the schools. They also shall review and appraise recommendations made to the Area Office by Agency Superintendents, Boarding School Superintendents or Reservation Principals which may concern changes in education policy or program and specify those which they believe should be referred to the Central Office for decision.

(1) Area Education Specialists. Area Education Specialists are assigned to the staff of the Area Educationist and shall furnish such specialized advice, supervision and guidance to the Reservation Superintendents and Principals as shall be needed or requested. They shall prepare with Principals, Department Heads and teachers, curricula and program guides which are adapted to local conditions at Indian boarding and day schools and write up in manual form sources of instructional materials, visual aids, new techniques and education procedures, and demonstrate their use to Principals, Department Heads and teachers.

They will collaborate with Principals in integrating each phase of the program with the over-all school program to conform to policies and programs of the Bureau. They will also assist in preparing reports covering all major activities and make recommendations for the improvement of boarding and day school programs.

Memorandum

To: Holders of 62 BIAM

From: Commissioner of Indian Affairs

Subject: Goals of Indian Education

This release transmits a new Section 1.1 to 62 BIAM which contains a revision of the statements on goals and objectives for Indian education formerly contained in 62 IAM 101.01 and 401.

Commissioner of Indian Affairs

Filing Instructions:

(a) Remove superseded material:	
62 IAM 101.01--101.01D(2)	(1 sheet)
62 IAM 1.2.1	(1 sheet)
62 IAM 401--401.01K	(1 sheet)
(b) Insert new material transmitted:	
62 BIAM 1.0	(1 sheet)
62 BIAM 1.1--1.1D(2)(c)	(3 sheets)
(c) Pen and ink changes:	
Delete 62 IAM 101.01E-G(2)	

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1 MISSION AND ORGANIZATION

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(To be issued later. Use 62 IAM 101.02 until superseded.)

1.3 Policy
(To be issued later. Use 62 IAM 101.03 until superseded.)

1.4 Functions and Relationships
(To be issued later. Use 62 IAM 102-102.04B([illegible]) until superseded.)

EDUCATION
Mission and Organization

1.1 Goals. The primary education goal of the Bureau of Indian Affairs is to assure suitable educational opportunities for all those citizens of the United States who are one-fourth or more degree of Indian or Alaska Native blood and meet eligibility criteria published in 25 CFR. This goal includes the following goals and objectives:

A. To assure that all Indian people have the opportunity to participate in educational programs which will provide for the successful acquisition of the skills, knowledge and attitudes required for individual personal growth and for a productive and satisfying life in the Native and non-Native American societies.

(1) Basic Academic Skills.

(a) Students should demonstrate--appropriate to their educational level, personal objectives and family needs--communications skills which include the ability to speak, listen, read and write in English and the language of the home.

(b) Students should acquire--appropriate to individual progress--mathematics skills which include the mathematical operations and understanding of processes they will require as consumers and in their vocational and recreational activities.

(2) Citizenship. Students should demonstrate the attainment of the following:

(a) a concern for the equal dignity of every individual and a positive self-image;

(b) a concern for the welfare of others, a knowledge of the rights and freedom of all individuals, and a responsibility to the society in which the learner lives;

(c) an acceptance of the learner's role as a group member and as a citizen of a community, State and the Nation;

(d) an understanding and respect for different cultures as well as the learner's own heritage and culture;

(e) an awareness of the contributions of many di[illegible] peoples and the interdependence and interrelationships among peoples, regions and nations;

(f) an understanding of society's influence on the learner's way of thinking and way of life along with a knowledge of the way social groups develop and how the learner may affect the progress, conditions, and forces operating in the world around him;

(b) Students should be provided with opportunities for physical and mental health development in one or more of the following: class instruction, extra-class activities and sports, and interscholastic activities.

(c) Students should demonstrate the ability to select foods which provide a balanced and healthful diet. Nutritious and appetizing meals should be available in all schools.

(d) Students should develop a functional safety awareness, the knowledge, habits, and attitudes of how to avoid accidents, and what to do in case of emergencies and accidents.

(6) Science and the Environment.

(a) Students should be familiar with the methods of scientific inquiry.

(b) Students should acquire--appropriate to their level of educational development--basic science information relative to physical and biological phenomena with particular emphasis on the environment and personal health.

B. To recognize and provide for the diverse educational needs of individuals and groups of all ages, cultural backgrounds, economic and social conditions, abilities and personal interests.

(1) Education for all Age Groups.

(a) All adults should have the opportunity to obtain a high school diploma or the equivalency. Other adult programs should be available to meet the personal, social and economic needs of the learner and the community.

(b) Secondary school programs should adequately prepare students to fulfill their desires to enter special schools or institutions of higher learning and to succeed in accordance with their abilities.

(c) Educational opportunities should be provided for all children by age 6, with kindergarten and pre-school programs wherever there is parental interest and available funding.

(2) Education for Diverse Cultural Groups. All schools should provide a positive learning environment for each student no matter what his cultural and linguistic background may be. Special programs are required to meet the needs of bilingual and/or bi-cultural students.

(g) an awareness of the learner's own academic abilities, interests, social and vocational preferences.

(3) Humanities and the Arts.

(a) Students should develop facility in arranging ideas, detecting fallacies and discrepancies, and relating ideas so as to arrive at defensible individual conclusions and solutions.

(b) Students should acquire a background in the arts which will provide an understanding of the interrelationship of the arts and the humanizing influence of man's struggle to express his inner self in some observable art form and in verbal language.

(c) Students should have an understanding and appreciation of the cultural contributions which the arts of their own people and of others have made to the literature, art, music and folklore of the Nation.

(4) The Economic World and Career Preparation.

(a) Students should develop the ability to analyze the economic resources of their communities and to plan more effective ways of utilizing these resources for the improvement of standards of living.

(b) Students should develop a career awareness which will provide, on the elementary level, a recognition of the range of careers available locally and throughout society, and the roles and requirements of the employees in those careers; on the middle school level, an opportunity for exploratory experiences necessary in career decision making; and on the secondary level, a salable skill for entry into the world of work or preparation for post secondary education with eventual employment.

(c) Students should have access to vocational training suitable to their own career goals, meeting the needs of both on- and off-reservation job markets, free from sex discrimination and available to out-of-school youth and adults.

(d) Students should develop a background in consumer e[illegible] personal resources, including the use of leisure time.

(5) Health and Nutrition.

(a) Students should develop understandings and health habits which will assist in attaining and maintaining an optimal level of physical and mental health.

(2) Facilities and Instructional Materials.

(a) Facilities which are appropriate to the educational needs of the children served should be provided, with needed new construction secured through applicable laws and appropriations at the Federal, State and local levels.

(b) Equipment, instructional materials, and curriculum guidelines suited to the educational level, background and needs of each student should be readily available. Where existing materials are not suitable, others should be developed.

D. To develop the educational management capabilities needed to provide effective administration and the options for Indian people to participate in policy determination and management of their schools.

(1) Indian Participation and Control.

(a) The Indian people served by each of the schools operated by the Bureau of Indian Affairs should be provided the opportunity to review and determine the management system for that school--including contracts consistent with Federal and State laws, a public school district or Bureau of Indian Affairs operation.

(b) Every Bureau of Indian Affairs school should be operated with the policy advice of a community or tribally-elected school board.

(c) Indian students should have equal access to the educational opportunities afforded other citizens through the system of public education of the states in which they reside.

(d) Indian groups, state and local school officials should be assisted in recognizing their full responsibilities for the education of Indians so that programs are available that fully meet Indian needs.

(e) The relationship between the home and the school should be strengthened through voter participation as well as mutual cooperation, communication and planning.

(2) Accountability.

(a) Every school and education office should develop goals and objectives and a system for evaluating their attainment.

(3) Education for Exceptional Children. Every school should have available an organized program for the identification of exceptional children and youth and a range of services in all areas to meet their needs.

(4) Education for Students who have no Adequate Local School Available.

(a) When no local school is available, or the program is not adequate to meet the learner's needs, provision should be made for continued education in a boarding school, boarding home, correspondence course or other less traditional arrangement.

(b) Educational opportunities for learners who have been institutionalized should be sought with the objective of assisting in rehabilitation and return to society in a fully productive capacity.

(c) Every school should develop or participate in an analysis of the major underlying causes of dropouts and irregular attendance, formulate a plan designed to provide early identification of potential dropouts, and institute a program of preventive measures.

(5) The School as a Community Center. Every local, community school should serve as a center of activities to meet the educational, social and economic needs of the community to the fullest extent possible.

C. To raise the quality of education programs and promote the accomplishment of educational goals through the continued improvement of all personnel, facilities and equipment serving the educational needs of Indian people.

(1) Education Personnel.

(a) All staff should demonstrate a sensitivity to and appreciation of the heritage and needs of Indian people.

(b) The continuous professional growth of employees and board members should be provided for through in-service training, con-
for [illegible]. Programs that are designed
to provide Indian [illegible]
while focusing on the needs of students should be emphasized.

(c) Provision should be made for technical consultation in all areas of school operations and the curriculum with particular emphasis on the unique needs of Indian students.

(b) The development of programs, budgets and the allocation of resources should be based upon the goals and a continuous reassessment of the educational needs of students. The quality of a child's education should not be permitted to suffer as a result of inequality in the level of resources available to him.

(c) The assessment of pupil progress should assure the availability of essential information and safeguard the rights of individual students and their parents.

(d) Every school serving Indian students should have adequate resources to provide excellence in its education programs. Qualifying public school should receive financial assistance from the Bureau to the extent needed in supplementing all available resources.

(e) Every school should be evaluated annually against established standards as part of a total planning process.

CAROLYN WARNER
SUPERINTENDENT

Arizona
Department of Education
1535 WEST JEFFERSON
PHOENIX, ARIZONA 85007
271-4361

July 7, 1977

Honorable Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
Committee on Education and Labor
House of Representatives
Congress of the United States
2181 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Blouin:

Thank you for the opportunity to incorporate additional comments to our testimony of May 17, 1977 before the Subcommittee on Elementary, Secondary, and Vocational Education.

We are confident that our comments will clarify or adequately address the concerns raised in your questions.

Enclosed for your information is one copy of the testimony submitted by this office at the May 17 hearings and our response to the Education Commission of States' Indian Education Questionnaire.

If I can be of further assistance, please feel free to contact me at any time.

Sincerely,

Terrance F. Leonard

Terrance F. Leonard, Director
Division of Indian Education

Wl/mn/04/7.6

Enclosures

RESPONSE TO THE HONORABLE MICHAEL T. BLOUIN, CHAIRMAN ADVISORY STUDY GROUP ON INDIAN EDUCATION

By

Mr. Terrance F. Leonard, Director
Division of Indian Education
Arizona Department of Education
Phoenix, Arizona

1) Mr. Myron Jones, who testified at the May 17th hearing, stated that with respect to the amount of aid Arizona provides local schools in comparison to the Federal contribution, "Arizona is a mugger", and should not complain of lack of Indian education funds. Will you please respond to that statement?

REPLY:

It is difficult to properly respond to the unqualified personal statement of any witness wherein both the Congress and States have acknowledged a duel responsibility for the education of Indian children.

I wish to inform the committee that the issue of inadequate resources or lack of funds was generated primarily from reservation school districts which was the main topic of our May 17th testimony.

2) Briefly explain the Arizona state school-funding formula and compare it, to the best of your ability, with the State efforts of other States.

REPLY:

Senate Bill 1001 established a school finance system in Arizona similar to the equalization aid system of Minnesota and was designed to provide more equity among the school districts in the state in the tax efforts per dollar of assessed valuation required to fund local education. The Arizona funding approach starts from an "average" expenditure level (or actual cost level for districts below the average) per classroom and then deducts a uniform local tax effort per dollar of assessed valuation to arrive at state aid. The "qualifying tax rate" or uniform local effort is $1.30 per one hundred dollars of assessed valuation.

State aid is calculated separately for common and high school districts. The first step in the calculation is to multiply the state basic support level by the number of state supported classrooms. Once these two computations have been made, the lesser of the two figures is used to calculate state aid; from the lesser of the two the amount raised by the $1.30 qualifying tax rate is subtracted to yield state aid. If the calculated levy raised is in excess of the lesser of the two figures, then the school district is not entitled to receive state aid. Thus, districts with budget cost levels below the state support level receive less entitlement to state aid than those above. However, because of the special budget increases mentioned previously, within three more years all districts in the state will have budget cost levels equal to or greater than the state support level.

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3) At the hearings, the impression was given that Arizona lacks a policy statement with regard to her responsibility toward the education of Indian peoples. Is this impression correct? If not, will you supply the committee with a copy of this statement of the State's position, along with where it may be found.

REPLY:

With regards to the public instruction, Mr. Ross F. Jones, State Attorney General, issued the following:

> *"Under our laws and constitution, in so far as education is concerned, Indian children occupy exactly the same status as do children of other races. An Indian is a citizen of the United States and as such, if he resides within the State of Arizona, is a citizen of the State of Arizona by virtue of the Fourteenth Amendment to the United States." (Opinion No. 54-45, March 24, 1954)*

On April 22, 1976, the Library of Congress Congressional Research Service, American Law Division wrote to former Senator Paul J. Fannin on the Federal Treaty Obligation to Education Indian Children and Role of the States. We extract the following notations:

> *"The question if the relative obligations of the federal government and the states to provide education for Indian children on the reservation has arisen in litigation regarding the financing of public schools in Arizona.... In conclusion, it would seem that both the federal government and the State of Arizona have a shared obligation to provide for Indian education. As citizens of the state, Indians are entitled to state services such as public instruction. The federal government also has responsibilities for Indian education flowing from its specific treaty promises and its unique guardianship relationship to the Indians... The State of Arizona argues that there is a shared responsibility...." (Kerr-McGee Corporation vs Chinle School District)*

4) What steps has the State of Arizona taken to assure that Federal monies attracted by the presence of reservation-based Indians (either as part of a political group, or as a socioeconomic group) for special programs [i.e. handicapped, vocational]) have been returned in the proportion required by Federal law to reservation settings? Will you provide the committee with financial data on the numbers of such Indian students counted, the funds received and the proportion Indian attracted and the amount of the funds returned to the reservation.

REPLY:

Arizona public school districts located principally on Indian reservations receive Federal assistance based primarily on per capita entitlements pursuant to P. L. 81-874, Johnson-O'Malley (P.L. 73-167), and Title IV (P.L. 92-318). Said funds are utilized under State law (ARS 15-1141 and 15-1161) for expenditures authorized in the Federal grant or contract with the exception of

Johnson-O'Malley Operational Support and Federal Impact Aid wherein funds are used for the basic operation of the district. The Johnson-O'Malley Operational Support funds will phase out in fiscal year 1978.

Funds received by said districts pursuant to the Johnson-O'Malley Program for fiscal year 1976-77 are as follows:

SCHOOL DISTRICT	JOM ENROLLMENT	JOM BASIC SUPPORT	JOM SUPPLEMENTAL	INDIAN RESERVATION
Sacaton #18	*852*	*$ 84,000.00*	*$ 85,257.00*	*Gila River*
Keams Canyon #25	*136*	*25,333.00*	*63,550.00*	*Hopi*
Peach Springs #8	*153*	*- 0 -*	*13,040.00*	*Hualapai*
Alchesay H.S.	*393*	*55,773.00*	*- 0 -*	*White Mtn. Apache*
Ft. Thomas H.S.	*116*	*22,667.00*	*14,160.00*	*San Carlos Apache*
TOTAL	*1,650*	*$187,773.00*	*$176,007.00*	

5) What percentage of Arizona students are Indian?

REPLY:

Based on fiscal year 1976 enrollment reports for the Indian Education Act of 1972 (Title IV, P.L. 92-318) and the Johnson-O'Malley Program, the Division of Indian Education certified 33,442 eligible Indian children which constitutes a 7% percentage to the total state public school enrollment of 446,117.

6) Why are there no high school districts on the Navajo reservation, though public high school programs are offered?

REPLY:

In that portion of the Navajo reservation which lies within the legal boundaries of the State of Arizona, public high schools are in existence.

(a) In Apache County, a county wide high school district exists on the Navajo reservation (Apache County High School District No. 90) which has three high schools within the district:

*Round Valley High School
Springerville, Arizona*

*St. Johns High School
St. Johns, Arizona*

*Valley High School
Sanders, Arizona*

(b) In Coconino County, two high school districts are situated on the Navajo reservation:

Page High School
Page, Arizona

Tuba City High School
Tuba City, Arizona

(c) In Navajo County, there are four high school districts situated on the Navajo reservation:

Monument Valley High School
Kayenta, Arizona

Winslow High School
Winslow, Arizona

Holbrook High School
Holbrook, Arizona

Snowflake High School
Snowflake, Arizona

Due to an isolation factor, transportation difficulties (excessive cost, long bus runs), a unique situation exists in Apache County in that certain elementary districts are authorized to teach high school subjects.

> "Arizona Revised Statutes, Title 15, Education............
> §15-501. Formation of high school district; formation of union high school district; petition for establishment; election; notice:
>
> G. The state board of education may grant permission to to a common school district to offer instruction in high school subjects, grades nine to twelve, inclusive. Average daily membership of pupils in grades nine to twelve shall be deemed to be membership in "high school". For purposes of computing state aid the basic support level per state supported classroom for high school districts shall be used. Successful completion of a prescribed course of grades nine to twelve shall entitle a student to a certificate of high school graduation. An amended law 1973. 1st S.D., Ch. 3."

7) Does the State require local districts to pursue any programs in the areas of Indian teacher recruitment, teacher sensitivity training, basic curriculum aimed at Indian needs (especially in reservation settings), bilingual education, bicultural education, or vocational education?

REPLY:

The initial responsibility for teacher recruitment is vested in the local boards of trustees pursuant to applicable state laws and policies of the State Board of Education mandating certification of individuals for teaching and professional positions.

Said laws and policies do not reflect ethnic origin, excepting, where the public school district has received an approved grant or contract which may

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require consideration of minority applicants for positions funded under such grant or contract. Employment of such minority applicants must still be executed within the provisions of state laws and state board policies where such employment is supplementary in nature.

8) Would the State, in an effort to maximize services and minimize repetitive efforts, be willing to cooperate with tribal authorities, allowing them more input and some program control?

REPLY:

The Department of Education has and continues to provide applicable program coordination through the elected school board members of Indian decent for reservation school districts. In addition, the Division of Indian Education provides technical and program assistance through the Arizona Indian Education Association (Tribal and Indian LEA representatives), the Arizona State Commission of Indian Affairs, and the 18 Indian Tribal Governments.

This coordination and assistance is conducted through the implementation of the Indian Self-Determination and Education Assistance Act of 1975, P. L. 93-638.

9) What is the State's position with respect to transmitting Federal education funds directly to the existing Tribal Authorities, and then allowing them to transmit to the most appropriate education service delivery system?

REPLY:

Our position would be favorable. The Division of Indian Education pursuant to the Johnson-O'Malley program in contract with the Phoenix area office of the Bureau of Indian Affairs is currently coordinating supplementary projects with 18 Arizona Indian tribes under the provisions of the intergovernmental agreement (ARS 15-952). Said agreement allows the distribution of JOM contract funds to the tribes to serve their students both at the reservation level as well as in the public schools. To date, we have experienced excellent relationships.

The Indian Self-Determination and Education Assistance Act allows the Bureau of Indian Affairs to contract directly with an Indian Tribe (upon their request) for Johnson-O'Malley funds based upon eligible Indian children for special educational needs.

10) Are Indians within Arizona subject to taxation? If so, to what extent and are any figures available as to how much this effort produces?

REPLY:

The Arizona State Constitution prohibits the state from imposing taxes upon lands or property therein belonging to or which may hereafter be acquired by the United States or reserved for its use and that the state shall forever disclaim land owned or held by any Indian or Indian tribes acquired through or held by the United States.

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Individual tribal members are subject to state income tax laws, however, the concern being addressed is relative to the presence of nontaxable Indian lands of said reservation school districts.

Hl/hl/04-09/7.06

PAPAGO EDUCATION
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June 22, 1977

Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
Committee on Education and Labor
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Blouin,

I am writing for Sister Kateri Cooper in response to your letter of June 6, 1977, which asks for further input on the hearings before the Subcommittee on Elementary, Secondary and Vocational Education held on May 17, 1977. We appreciate the opportunity to comment and respond to the questions raised in your letter. Our responses follow the order of the questions asked.

1. P.L. 874 funds together with JOM Act funds are inadequate to meet the needs of Papago students. Papago Indian students constitute 97.8% of 1,069 students enrolled in the Indian Oasis Public School District. We propose a complete restoration of basic or general education support funds under the JOM Act program. The BIA policy decision to phase out JOM basic support funds is totally unrealistic in reservation public school districts that depend on Federal aide for 50 to 60% of its total budget revenue for operation purposes.

2. The need for facilities is dire. The rated capacity of the 3 attendance centers (Elementary and High School at Sells, Elementary School at Topawa) is 575 students, or approximately 500 additional seats needed. At present, the District is having to rent 16 portable classrooms which results in an undue strain on the operating budget. Maintenance and bus transportation problems result from insufficient funds for basic support.

3. No further action is needed or recommended to insure more tribal and parental control over support monies attracted by Indian students. Existing JOM Act regulations are adequate on this point. The local school is composed of all Indians.

A direct grant to the School District would be preferable for basic support funds intended for the District.

Similarly, a direct grant to the Papago Tribe would be preferable for funds now needed to support the Tribe's Early Childhood and Media Center Programs.

A single block grant could be made to the Tribe for both purposes. If the purposes were identified no further oversight provisions would be necessary.

4. Papago students are not receiving the type of training needed, i.e., vocational, special handicapped, academic, etc. As stated in question number 3, there is a critical need for facilities. Even though at times funds are available to provide the training and special education which is needed by the students, these program cannot be carried out because of the lack of facilities. More detailed information on facility construction is offered on the prepared testimony which was given to your committee.

5. The members of the Papago Tribe pay the sames taxes other Arizona citizens pay except the tax on the reservation lands (which are held in trust by the Federal Government). The state makes a substantial contribution to the education of the Papago students in the local school district. In the 1976-77 district budget, State revenue was estimated to be $1,068,292 or 43% of the anticipated budget revenue.

More detailed infromation on these questions can be found in the Prepared Testimony which was given to your committee on May 17, 1977. If you desire more information, please feel free to contact us at any time.

Sincerely yours,

Raymond Ramirez

Raymond Ramirez
Papago Education

RR:mj

THE NAVAJO NATION
WINDOW ROCK, NAVAJO NATION (ARIZONA) 86515

PETER MACDONALD
CHAIRMAN, NAVAJO TRIBAL COUNCIL

WILSON C. SKEET
VICE CHAIRMAN, NAVAJO TRIBAL COUNCIL

June 24, 1977

Congressman Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
Committee on Education and Labor
U.S. House of Representatives
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Blouin:

Thank you for your request, 6 June 1977, for soliciting our positions regarding Johnson O'Malley basic support, public schools basic support vouchers, and community-contract schools.

We appreciate the opportunity to make added statements on these matters and hope these will be of use to you.

Sincerely,

Dillon Platero, Director
Navajo Division of Education

Attachments

cc: Joy J. Hanley, Coordinator, Educational Standards/NDOE
Winona Kay, Acting Director, Johnson O'Malley Program, NDOE

ADDITIONAL POSITION ON THE SUPPORT FOR PROGRAMS IN INDIAN EDUCATION

1. Johnson O'Malley Basic Support

We are emphatically in support of an extension of a basic support program for the Johnson O'Malley Project Program because of special conditions on the Navajo Reservation. These conditions can be described under two main classes: rurality and culture.

The rural isolation of many of the Navajo Reservation Public Schools have resulted in both in higher costs and in lower assessed valuation (and thus lower local funding base). While the latter is compensated for, the most part, through 874 funds, the former are not covered in state operational allocations. The higher costs involve the following factors:

A. Long bus routes over unpaved roads, result in accelerated bus wear (some last only 3 years). With states such as Arizona paying only 45% of these costs, local districts bear most of the brunt.

B. Teacher housing must be supplied because the nearest commuting towns are too far away. Distance of 27 miles from Window Rock To Gallup, would be considered small. For settlement such as Kayenta, the nearest commute town, Flagstaff, is over 200 miles away.

C. Medical services such as clinics and technical staff, must often be established at each school, since the nearest town-based hospitals are too far away. New Mexico and Utah have lagged in establishing these and U.S. Public Health Service installations and are therefore located too far apart. Here again, the distance between settlements and the nearest hospitals are nearly 150 miles such as the distance from Torreon, New Mexico and Gallup, New Mexico.

D. General lack of economic development has resulted in a generally low bonding capacity. Thus, cpaital outlay must come from regular education funds.

The Navajo lifestyle, including cutlture and language are also factors in higher costs.

A. Many more Navajo-speaking teacher aides are required because about 2/3 of all Navajo adults still speak Navajo and their children enter school knowing no English.

B. Many special liaison staff and assessment projects are necessary to communicate with parents. Extensive planning must often be done before title and other funding can be obtained.

C. Navajo speaking parents often do not know how to read and write, and cannot fill out written forms for children who are otherwise eligible for free lunch programs. Thus, except for New Mexico, which does not yet require these forms, the state provision of these service is small. And a lawsuit threatens to force even New Mexico to issue written forms.

Thus, basic support through Johnson O'Malley should be extended, indefinitely with the following additional requirements:

A. District must show definite need.

B. The Tribe should continue monitoring these funds with funds allocated for administration.

C. J.O.M. should not be extended unless at least $20 million is added. With the increasing number of groups eligible for JOM funding, there is hardly enough to go around to make any programs worthwhile.

2. Expansion of Public Schools

The Navajo Division of Education is in favor of expansion but only if:

A. The community has input in the establishment of the school and its program;

B. There is adequate funding for the sound construction and basic operation of the school; and

C. Planning for school includes coordination of effort with BIA, Contract Schools, and Tribe. Otherwise, duplication of effort and wasteful competition are the results.

As for whether or not community schools will be affected, we must first distinguish among community (BIA designated) and community (Tribal designated contract) and community (state-supported) schools. In a more general sense than above, a community school can be seen as a relatively necessary to insure that the guidelines specify the difference among different funding sources and that when appropriations are increased, a syndorme analogous to "robbing Peter to Paul" is avoided. In addition, we specify the following administrational requirements be met.

A. Establishment of the Tribe as administrator and monitor;

B. Establishment of a schedule for monies to be disbursed far enough in advance so that adequate program planning by Schools and Tribe can proceed. Otherwise, there is the chaos of disrputed and delayed schedules or else disrupted payments systems.

C. Allow for the Tribe to impose its certification and accredition guidelines over these funds.

4. Tribe's Postion of Contract Schools

For over a decade, individual communities have been contracting with the BIA. Now, in response to the passage of P.L. 93-638, the Tribe authorizes and approves contracting where local communities so desire, and enjoins Navajo Division of Education to offer whatever technical assistance it can.

OVERSIGHT HEARINGS ON INDIAN EDUCATION

WEDNESDAY, MAY 18, 1977

HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
COMMITTEE ON EDUCATION AND LABOR
Washington, D. C.

The subcommittee met, pursuant to notice, at 9 a.m., in room 2257, Rayburn House Office Building, Hon. Michael T. Blouin presiding.

Members present: Representatives Blouin, Mottl, and Le Fante.

Mr. BLOUIN. The subcommittee will come to order.

We would like to continue today with hearings begun yesterday and that will continue through tomorrow on the subject of Indian education.

This morning our lead-off panel will consist of three individuals, Mr. Maurice J. "Pete" Rabenberg, the Superintendent of the Sisseton Public Schools, in Sisseton, South Dakota; Mr. Charles Fields, Programs Director, Standing Rock, South Dakota, and Mr. Earl Barlow, who is yet to arrive, Superintendent of Schools in Browning, Montana.

Gentlemen, I would like you to proceed with your statements, and feel more than free to summarize them briefly. We can move along when all three of you have made statements, and get into some questions.

Mr. Rabenberg?

[The prepared statement of Mr. Rabenberg follows:]

Prepared Statement of Maurice J. Rabenberg, Superintendent of the Sisseton School District, Sisseton, S. Dak.

I am Maurice J. Rabenberg, Superintendent of the Sisseton School District, Sisseton, South Dakota, speaking on behalf of the Sisseton Board of Education and the Basic Support School Districts of South Dakota. I would like to express my appreciation for this opportunity to present testimony in support of interim funds to replace those Johnson O'Malley basic support dollars being phased out for public schools as a result of PL 92-638 until a proven instrument for distribution is accomplished.

The phase out of basic support under PL 93-638 has placed the operation of a number of public schools in extreme jeopardy. There are seven basic support school districts in South Dakota facing similar problems, but I will speak specifically to the situation in Sisseton, South Dakota, and this should be inclusive of the problems of the other schools as well.

The enrollment in the Sisseton School District, located in Roberts County, is 1515 students. Fourty-one percent, or 617 students are of Indian descent. Fifty-one percent of the property in our 650 square mile school district is non-taxable. This compares to a [illegible] factor for the entire state. Of approximately 279,337 acres in our district, 49.512 are Indian or Tribally owned while another 9,103 are likewise non-taxable. This district is one of the lowest in the state in regard to assessed valuation per [illegible] child.

There are four schools in the Sisseton school district. We maintain one rural elementary school located eleven miles southeast of Sisseton. The Board of Education operates an elementary, middle school and high school in Sisseton. Our high school serves as an area multi-district vocational school. We also contract adult vocational programs with our local tribal government.

The aforementioned operation leaves the Sisseton Board of Education in a delicate financial position. Namely, a general fund deficit in income of $282,747.45. This amount doesn't include the services and programs already deleted from the 1977-78 term or restore any of the services or personnel deleted in the 1976-77 term.

The Board of Education is at impasse with their employees as to base salary and benefits. Members of the committee, we have issued contracts to professional, fully certified staff members on an $8,000 base schedule. This is $300-$400 below the state average for beginning teachers.

Our Board of Education is being asked to commit dollars which they do not have. They have exhausted all available means of revenue at the state level.

Our Board has in good faith received all children--be it from Bureau of Indian day schools or parochial schools. The Sisseton Board of Education has been involved with Johnson O'Malley funding since 1959. In all good conscience, can this committee recommend that Congress transfer the educational responsibilities of Indian children from the Bureau of Indian Affairs to the respective public schools without honoring past committments? I hope not!

Economy seems to be the name of the game today. When one compares the Bureau of Indian Affairs educational costs per student to those of the public schools the picture is quite clear. The public schools will educate these youngsters for less dollars than the federal government.

I understand that Dr. George Scott of the Bureau of Indian Affairs Education Department has developed an equitable needs formula relating to basic support dollars, formerly distributed through the Johnson O'Malley Act of 1934. It would seem feasible that during the 1977-78 school term, Dr. Scott's formula or, if not a formula, a system of qualifying factors of need be established and placed in a pilot project status. This model could then be monitored throughout this next school term. The Bureau already has the machinery established to accomplish this study. Necessary corrections could be accomplished and a tested, proven model presented to those respective funding agencies for the 1978-79 school term.

Our state impact schools met last week and asked me to convey that alternative funding not be attached to Public Law 874. This group's feeling is that P.L. 874 is the cleanest federal law we have to work with and want it to remain so. As yet, federal restrictions have seen fit for the most part to let local districts spend this money, in lieu of taxes, as their local constituents see fit.

The group's first choice was that the basic support funds remain with the Department of the Interior if they contract directly with the public school districts. In short, not be included under P.L. 638.

The second choice being that a completely new funding agency be established. This should not be connected with any existing agency.

The state's impact group also asked me to express to the committee that they have no quarrel with Johnson O'Malley specials and Title IV, Part A, remaining categorical and under the control of advisory boards. This would appear to be a viable arrangement allowing advisory boards and duly elected school boards to each function under state and federal laws.

The Sisseton Board of Education requested the fact finding group headed by Congressman Blouin to use our school system to gather or confirm data in the field, and this offer still stands as evidenced by our Tribal and Board chairmen.

Committee members, I would ask you to remember that special interest lobby groups come and go, but the students and school systems back home will always be there. Please keep in mind we are asking for a relatively small amount of money, but an amount so sorely needed by the basic support schools.

There are several exhibits attached pertaining to our school district.

Thank you again for this opportunity to testify.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

Honorable James Abdnor
House of Representatives
Washington, D. C. 20515

Dear Mr. Abdnor:

Thank you for your letter to President Carter, dated February 1, 1977, concerning public school districts on or near reservations serving a substantial number of Indian children.

The issue raised in your letter concerning basic operation for these public school districts has been reviewed by the Bureau of Indian Affairs and there is no doubt that a major financial crisis exists. These public schools serving Indian children on or near reservations are located in areas where the property tax and the "ability to pay" is very low. Even when school districts have modified their tax levy to increase local funding, the increases in most instances are not significant. In most cases the states are at the maximum according to state laws.

The recent change in the Johnson-O'Malley regulations appears to establish greater accountability when determining the needs of Indian children. However, these new regulations did not address the problems inherent within the allocation system and, therefore, only correct the funding pattern in an ex post facto manner. It is also apparent that the wealth of the district was not taken into consideration in the reduction of basic support from Johnson-O'Malley. Further, neither state financial assistance nor the two major Federal programs (P.L. 81-874 and Johnson-O'Malley) compensate for the inequities caused by the variation in the ability of local school districts to support public education.

We are presently reviewing the problem and exploring alternate ways of providing the necessary funds for basic support of public schools in financial difficulty. We hope this information is consistent with your request.

Sincerely,

Cecil D. Andrus
CECIL D. ANDRUS
SECRETARY

JOHNNY HORIZON
'76

Let's Clean Up America For Our 200th Birthday

STATEMENT OF HONORABLE JAMES ABDNOR
TO THE INTERIOR SUBCOMMITTEE
OF THE
HOUSE COMMITTEE ON APPROPRIATIONS
APRIL 21, 1977

Mr. Chairman and members of the Subcommittee, I am pleased to submit this testimony in support of interim funding for the replacement of Johnson-O'Malley Basic Support Monies. As you know, these JOM Basic Support funds are being phased out for public schools under Public Law 92-638.

Many of our public schools which educate Indian children have already been adversely affected by this phase-out of federal funds. If this phase-out is allowed to continue without financial compensation from another source, a number of our public school districts will face the prospect of bankruptcy in the very near future.

This week you received testimony from Mr. Glenn A. Barnes, Superintendent of the Todd County School District, Mission, South Dakota. Superintendent Barnes testified that his school district would go broke within the next two years if alternative sources of funding are not made available. The Todd County Board of Education will be facing a $225,000 deficit for the upcoming year, and yet it is required by law to issue contracts prior to May 1, 1977.

There are six other public schools in South Dakota which are facing problems similar to those at Todd County due to the phase-out of basic support. These schools educate a majority of Indian students and are located in districts in which most of the land is non-taxable. Even in those areas where the land is taxable, the collection of taxes has been down significantly this year due to the severe drought that has plagued South Dakota.

Johnson-O'Malley Basic Support funding has been an integral part of the budget for each of these schools, and until we can formulate an alternative program to meet the educational needs of our Indian children, Congress must take the responsibility of providing for these needs. Congress and the Bureau of Indian Affairs made a commitment to provide financial assistance to those public schools that have been educating our Indian children, and we must keep that commitment.

Our schools are in need immediate help and are asking for a relatively small amount of funding to allow them to function for another year. We must certainly address the long-range solutions to this problem-both the Congress and the Administration are working on possible alternatives-but in the meantime, we must concentrate on the immediate needs and provide interim Basic Support funding for Fiscal Year 1978.

If we do not provide this funding, we will not only be breaking a promise to these public schools, we will also be threatening their very existence. These schools have made tremendous progress in serving the needs of our children, both Indian and non-Indian, and it would be disastrous if these efforts were most because of a short-sighted action by

Congress.

In addition to the accomplishments that have been made by these schools, I would like to point out the fact that these services have been provided very economically by our local public school districts. If our Indian students were removed from the public schools, the federal government would have to absorb a tremendous increase in costs. Our local public schools provide better education with less funding than the federal government could possibly provide, and it is imperative that we allow and encourage our public schools to continue this function.

Again, I want to stress that we are asking for a relatively small amount of funding, but an amount which is crucial to our Basic Support schools. I request your careful attention to Superintendent Barnes' testimony of April 19 and I respectfully urge your favorable consideration of this funding request.

PRESSLER: SISSETON SCHOOLS TO LOSE $245,332 IN FY 78

For Immediate Release

WASHINGTON, D.C. -- Sisseton schools could lose as much as $245,332 in Fiscal Year 1978 and $368,000 in Fiscal Year 1979 due to the phaseout of operational support to public schools educating Indian children, Congressman Larry Pressler (R-S.D.) said today.

In testimony submitted to the House Subcommittee on Interior Appropriations, the South Dakota Congressman called for the restoration of Johnson O'Malley (JOM) funding, arguing that many schools dependent on it lack adequate tax bases and are severely limited in their ability to raise tax revenues.

Pressler recently conducted a fact-finding tour of South Dakota Indian schools with Chairman Mike Blouin (D-Iowa) of the Indian Education Advisory Committee and Rep. Albert Quie (R-Minn.) to gain a better understanding of the unique problems faced by schools educating Indian children.

As a member of the Education Committee, the House Advisory Board on Indian Education and Chairman of the Rural Caucus's Education Subcommittee, Pressler said that if Congress failed to appropriate $5 million for JOM support in Fiscal Year 1978, "Indian children, as well as their non-Indian classmates, will be receiving less than the quality education they deserve.

"With the phaseout of Johnson O'Malley funding, the 27 public school districts--most of which are already taxing at the maximum mill levy allowed by their state laws--will be forced to drastically cut their educational programs, or in some cases to close down completely," Pressler said.

"In South Dakota alone, this could mean a loss of over $1 million in basic support by Fiscal Year 1979 in a total of 10 schools, with losses in individual schools ranging from approximately $50,000 in the McIntosh Public School to nearly $500,000 in the Sisseton Public Schools if inflation is taken into account."

The cuts in Johnson O'Malley (JOM) funding result from regulations promulgated by the Bureau of Indian Affairs requiring that this JOM support be reduced one-third annually from Fiscal Year 1976 until it is phased out in Fiscal Year 1979.

SISSETON SCHOOL DISTRICT 54-5
SISSETON, SOUTH DAKOTA
1976-77

I. INFORMATION ON DISTRICT COMPOSITION

1. Total Number of Acres in District	279,337
2. Total Number of Indian or Tribally Owned Land	49,518
3. Total Number of Non-Taxable Acres Other Than That Listed Under Item 2 Above	8,103
4. Percentage of Non-Taxable Land	21%

II. DISTRICT TAX STRUCTURE

1. Taxable Agriculture Property Valuation	11,536,680
2. Taxable Non-Ag. Property Valuation	7,498,486
3. Total Valuation of Taxable Property	19,035,166
4. Mill Levies	
a. Agricultural Property	24 Mills
b. Other Property	40 Mills
c. Capital Outlay	.37 Mill
d. Special Education	2 Mills
5. Total Tax Dollars Request for FY 1976	$604,713.00

III. SOURCES OF ANTICIPATED REVENUE & PERCENTAGE OF GENERAL FUND TOTAL - FY 1977

1. County Taxes	576,819.76	28%
2. Local Sources	150,511.92	7%
C.O.H.	62,587.66	3%
3. State		
a. State Aid	386,801.00	
b. Transportation	60,817.00	
c. Apportionment	48,748.16	
Total	496,366.16	25%
4. Johnson-O'Malley	354,530.00	18%
5. Public Law 874	243,031.24	12%

6. Tuition	-0-	
7. Vocational Education & Indirect Costs . . .	15,134.77	1%
8. Miscellaneous	123,095.59	6%
Total General Fund . . .	$2,022,086.10	

IV. ENROLLMENT DATA (9-10-76)

1. Overall Indian Students	617
2. Non-Indian Students	898
3. Total Student Enrollment	1515
4. Percentage of OVERALL Indian Enrollment to Total . .	41%

* * *

1. J.O.M. Indian Students	601
2. All Non-Indians, Less than $\frac{1}{4}$ Indian Students & Other Nationalities	914
3. Total Student Enrollment.	1515
4. Percentage of J.O.M. Indian Enrollment to Total . . .	40%

SISSETON SCHOOL DISTRICT 54-5
SISSETON, SOUTH DAKOTA

GENERAL FUND REVENUE PROJECTIONS
FY 1978

	ESTIMATED RECEIPTS
LOCAL	
Multi-District	$ 100,000.00
Rent, Interest & Miscellaneous	50,511.92
COUNTY	
Taxes	587,759.72
STATE	
State Aid	452,781.00
State Apportionment	50,192.99
Transportation	60,817.00
FEDERAL THROUGH STATE	
Vocational Education	15,134.77
Title I	149,924.10
ESEA Title IV-B	2,500.00
FEDERAL	
Public Law 874	243,031.24
Johnson-O'Malley	122,666.00
Dormitory Tuition	-0-
REGULAR TUITION	-0-
Total Estimated Revenue	1,835,318.74
Estimated General Fund Budget	2,022,086.10
Estimated Deficit FY 1978	186,767.36

LEROY HELLWIG, President

CHERYL A. KARST, Business Manager

Sisseton Public School

DEPARTMENTS
Agriculture
Business
Academic
Physical Education
Home Economics
Industrial Arts
Distributive Education
Fine Arts
Vocational Education

M. J. BARENBERG, Superintendent
G. E. WILLIAMS, High School Principal
MURDEAN OLSON, Middle School Principal
NOEL VALNES, Elementary Principal

DIRECTORS
LeRoy Hellwig
Arthur Weinhauf
Milton Leiseth
Larry Lekness
Marvin Hannasch
John Wenschlag
Cleo Weglettner
Wayne Johnson
David Hanson

Sisseton, South Dakota

March 14, 1977

Christopher Cross
Committee on Education and Labor
Room 2179
Rayburn House Building
Washington, DC 20515

Dear Mr. Cross,

May I say how much your call meant to me this morning. You are the first person in two years that grasped and listened to our problems with Public Law 874 students.

Someone has convinced the powers that be that South Dakota, namely Sisseton, doesn't know how to apply for impact aid dollars. Of course, I take exception to that and ask you to review the attached information. (page 51)

Our total enrollment is 151[illegible] students. Of this total 617 are Indian students. This is 41% of our total enrollment.

Nearly everyone refers to Sisseton as being a reservation and, therefore, all Indian students qualify. These are not true assumptions.

Of our 617 Indian stduents, 384 qualify as impact students, 288 as A's and 96 as B's. This leaves 233 students not living on trust land or parents employed on non-taxable property! If these 233 youngsters were funded as A's, we would automatically receive an additional $149,264.46. If all 617 were treated as A students our income ledger would read $368,873.45.

Then to address the second problem of those students who qualify for impact aid, that being the 874 payments not equalizing the state average cost, to say nothing about the actual cost of educating the same in a particular school district. This year our "B" students entitlement is $170.39, and our "A" students entitlement is $597.85. The state's average cost was $1018 per student. Contrast that with our district's cost of $1354 per student. It should not be that difficult to see the problems.

Due to the fact that Johnson O'Malley basic support general fund budget is phasing out in 1978, it is imperative that this loss be absorbed. It cannot be absorbed at the local level.

My suggestion would be we turn to Public Law 874 and remove public schools from the Department of the Interior funding. At present we seem to be the victims of two separate appropriation justifications of which neither is adequate or completely understood.

If you feel representatives from our district or state at the hearings would benefit the cause, please inform us.

Again, I would like to thank you for your time and consideration.

Sincerely,

M. J. Rabenberg
Superintendent of Schools

MJR:po

Attachment

PREPARED FOR SISSETON PUBLIC SCHOOL

SCHOOL YEAR/ 874 ALLOCATION FORMULA	ANTICIPATED REVENUE	874 PER/PUPIL PAYMENT (ADA)	STATE AVERAGE PER/PUPIL COST	SISSETON PER/PUPIL COST (ADM)
1971-1972 A 90% of 100% of 484.46 B 73% of 50% of 484.46	196,535.00 Actual Receipts	436.01 176.83	709 709.	806.48 866.48
1972-1973 A 90% of 100% of 526.62 B 68% of 50% of 526.62	209,737.99 Actual Receipts	473.96 179.05	749. 749.	945.05 945.05
1973-1974 A 90% of 100% of 544.36 B 68% of 50% of 544.36	182,481.00 Actual Receipts	489.92 185.08	807. 807.	1,063.31 1,063.31
1974-1975 A 90% of 100% of 612.90 B 70% of 50% of 612.90	54,198.00 Actual Receipts	551.62 214.52	920. 920.	1,123.81 1,123.81
1975-1976 A 90% of 100% of 664.28 B 57% of 45% of 664.28	227,132.00 Actual Receipts	597.85 170.39	1,018. 1,018.	13^{54} 1,462.57 1,462.57
1976-77 A 90% of 100% of 711.80 B 57% of 45% of 711.80	243,031.24	640.62 182.58		
1977-78 A 90% of 100% of 904.00 B 57% of 45% of 904.00	247,494.55 173,255.17 74,239.38	813.60 231.88		
1978-79 A 90% of 100% of 904.00 B 57% of 45% of 904.00		813.60 231.88		

A-'50

APPLICATION FOR SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

NOTE. If additional copies of this Table are needed, either duplicate or obtain from SEA and number them consecutively.

TABLE B. SECTION 3(a)(1) and (2) PUPILS WHO RESIDED ON FEDERAL PROPERTIES WITH A PARENT EMPLOYED ON FEDERAL PROPERTY OR HAD A PARENT ON ACTIVE DUTY IN "UNIFORMED SERVICES", OR WHO RESIDED ON INDIAN LANDS

TABLE B-1. FEDERAL PROPERTY ON WHICH PUPILS RESIDE

	PROPERTY CODE NUMBER (1)	OFFICIAL NAME, STREET ADDRESS, CITY, AND STATE (2)	NUMBER OF PUPILS ON SURVEY DATE 1/ (3)
1	1 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	249
2	51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	11
3	51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	18
4	51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	9
5	51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	1
6			
7			
8		1976-77	
9			
		TOTAL	288

TABLE B-2. FEDERAL PROPERTY ON WHICH PARENTS ARE EMPLOYED

	PROPERTY CODE NUMBER (4)	OFFICIAL NAME, STREET ADDRESS, CITY, AND STATE 2/ 3/ (5)	NUMBER OF PUPILS ON SURVEY DATE 3/ (6)
1	51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	249
2	51 109 7512 0020	U.S. Govt. Public Health Service Indian Hospital Sisseton, SD 57262	11
3	51 109 1431 0110	Sisseton Agency Area Field Office Sisseton, SD 57262	18
4		Sisseton High School IA09-049, 516 8th Ave. W. Sisseton, SD 57262	9
5	51 109 8630 0030	Sisseton Wahpeton Tribal Housing Authority Sisseton, SD 57262	1
6			
7			
8			
9			
10			
		TOTAL	288

191

1/ Enter "Uniformed Services" in lieu of name of property if parent on active duty. 2/ Employment data not required if pupil resided on Indian lands, however, the membership of such pupils claimed on Column (3) should be entered on the same line in Column (6). 3/ Columns (3) and (6) must be equal on each line.

APPLICATION FOR SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

NOTE. If additional copies of this Table are needed, either duplicate or obtain from State Education Agency.

TABLE 4. SECTION 3(b)(1) PUPILS WHO RESIDED ON FEDERAL PROPERTY
(Parent not employed on Federal property)

FEDERAL PROPERTY ON WHICH PUPILS RESIDE		
PROPERTY CODE NUMBER (1)	OFFICIAL NAME, STREET ADDRESS, CITY, AND STATE (2)	NUMBER OF PUPILS ON SURVEY DATE (3)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
	TOTAL	

TABLE 5. SECTION 3(b)(2) and (3) PUPILS WHO RESIDED WITH A PARENT EMPLOYED ON FEDERAL PROPERTY OR HAD A PARENT ON ACTIVE DUTY IN THE "UNIFORMED SERVICES"

FEDERAL PROPERTY ON WHICH PARENTS ARE EMPLOYED 1/		
PROPERTY CODE NUMBER (1)	OFFICIAL NAME, STREET ADDRESS, CITY, AND STATE (2)	NUMBER OF PUPILS ON SURVEY DATE (3)
1	UNIFORMED SERVICES	
2 51 109 4710 0040	C.S.A. Bldg.-Farm Home Adm., Post Office & Agri.Stab. Cons. Service Sisseton, SD	23
3	Sisseton High School IA09-049, 916 8th Ave. E. Sisseton, SD 57262	86
4	Peever Elem. School IA09-025, 206 Park Ave. Peever, SD	15
5 51 109 7512 0020	U.S. Gov't Public Health Service Indian Hospital Sisseton, SD	30
6 51 109 1431 0110	Sisseton Agency Area Field Office, 205 E. Oak Sisseton, SD 57262	17
7 51 109 1431 0120	Sisseton Wahpeton Sioux Indian Reservation Sisseton, SD 57262	244
8	S.D. Dept. of Transportation Interstate 94 Sisseton, SD 57262	6
9 51 109 8630 0030	Sisseton Wahpeton Tribal Housing Authority Sisseton, SD 57262	12
10		
	TOTAL	433

1/ Include pupils whose parents are employed on Federal property out of the State in which school district is located. Do not include out of State pupils on Table 6. TOTAL

INCOME		
1976-77	2,022,086.10	
1977-78	1,764,338.74	
Decrease in income		257,747.36
EXPENDITURES		
1976-77	2,022,086.10	
1977-78	2,217,750.52	
Increase in expenditures		195,664.42
AMOUNT NEEDED TO BALANCE 1977-78 BUDGET		$453,411.78

SISSETON SCHOOL DISTRICT NO. 54-5

GENERAL FUND

	INCOME BUDGET 1976-77	ANTICIPATED INCOME 1977-78
Taxes	576,819.76	587,759.72
Interest	14,000.00	14,000.00
Cocurricular Activities	13,511.69	13,511.69
Rentals	17,000.00	17,000.00
Multi-District	100,000.00	100,000.00
State Aid	386,801.00	411,801.00
State Apportionment	48,748.16	50,192.99
Vocational Education	15,134.77	15,134.77
Transportation	60,817.00	60,817.00
Public Law 874	243,031.24	243,031.24
Titles II & III (ESEA Title IV Pt. B)	3,171.49	2,500.00
Title I	119,924.10	119,924.10
Johnson O'Malley	354,539.00	122,666.00
Miscellaneous	6,000.23	6,000.23
Cash on Hand	62,587.66	-0-
TOTAL	$2,022,086.10	$1,764,338.74

SISSETON SCHOOL DISTRICT NO. 54-5

GENERAL FUND

		ADOPTED BUDGET 1976-77	PROPOSED BUDGET 1977-78
1000	**INSTRUCTION**		
1110	Instruction-Regular Elementary Programs	450,357.99	488,370.48
110	Regular Salaries	374,721.40	40[illegible],699.11
120	Temporary Salaries	3,777.06	4,079.22
210	OASI	22,142.16	23,913.53
220	Retirement	18,736.07	20,438.91
230	Health Insurance	6,683.04	7,685.49
323	Repairs & Maintenance	100.00	113.40
324	Travel	929.79	1,054.38
410	Supplies	17,099.42	19,390.74
420	Textbooks	6,000.00	6,804.00
640	Dues & Fees	169.05	191.70
1120	Instruction-Regular M/S Programs	206,831.47	224,534.09
110	Regular Salaries	168,040.96	181,484.23
120	Temporary Salaries	3,161.24	3,414.13
210	OASI	10,015.33	10,816.55
220	Retirement	8,402.05	9,244.91
230	Health Insurance	3,500.64	4,025.73
323	Repairs & Maintenance	200.00	226.80
325	Rentals	132.57	150.33
334	Travel	821.90	932.03
410	Supplies	7,500.00	8,505.00
420	Textbooks	4,500.00	5,103.00
640	Dues & Fees	556.78	631.38
1130	Instruction-Regular H/S Programs	416,319.17	463,006.81
110	Regular Salaries	345,931.39	383,605.90
120	Temporary Salaries	4,331.13	4,677.62
210	OASI	20,490.36	22,714.58
220	Retirement	17,296.58	19,414.17
230	Health Insurance	5,622.24	6,709.55
323	Repairs & Maintenance	409.29	464.13
324	Property Insurance	369.76	419.30
325	Rentals	558.10	632.88
334	Travel	1,325.50	1,503.11
410	Supplies	13,322.32	15,310.30
420	Textbooks	5,562.50	6,307.87
430	Library Media	700.00	793.80
440	Periodicals	200.00	226.80
640	Dues & Fees	200.00	226.80

Page 2

1270		Programs for Educationally Deprived	119,924.10	129,902.80
	110	Regular Salaries	102,211.88	110,388.83
	210	OASI	5,979.36	6,457.74
	220	Retirement	5,110.60	5,519.44
	230	Health Insurance	1,697.28	1,951.87
	310	Professional & Technical Service	2,000.00	2,268.00
	640	Dues & Fees	2,924.98	3,316.92
2000		SUPPORTING SERVICES		
2110		Attendance & Social Work Services	100.00	113.40
	310	Professional & Technical Services	25.00	28.35
	334	Travel	25.00	28.35
	410	Supplies	25.00	28.35
	690	Miscellaneous Objects	25.00	28.35
2120		Guidance Services	25,193.54	27,316.92
		020		
	110	Regular Salaries	9,322.00	10,067.76
	210	OASI	545.34	588.96
	220	Retirement	466.10	503.38
	230	Health Insurance	212.16	243.98
	334	Travel	26.51	30.06
	410	Supplies	625.00	708.75
		030		
	110	Regular Salaries	11,715.50	12,652.74
	210	OASI	685.36	740.18
	220	Retirement	585.78	632.63
	230	Health Insurance	212.16	243.98
	334	Travel	69.76	79.10
	410	Supplies	627.87	712.00
	440	Periodicals	100.00	113.40
2130		Health Services	11,137.88	12,123.02
	110	Regular Salaries	8,532.00	9,214.56
	210	OASI	499.12	539.05
	220	Retirement	426.60	460.72
	230	Health Insurance	212.16	243.98
	334	Travel	300.00	340.20
	410	Supplies	1,168.00	1,324.51
2150		Speech Pathology & Audiology Services	9,688.65	10,498.50
	110	Regular Salaries	8,216.00	8,873.28
	210	OASI	480.64	519.08
	220	Retirement	410.80	443.66
	230	Health Insurance	212.16	243.98
	334	Travel	169.05	191.70
	410	Supplies	200.00	226.80

2220		Educational Media Services	41,567.69	45,002.95
		010		
	323	Repairs & Maintenance Services	800.00	907.20
	410	Supplies	3,437.50	3,898.12
	430	Library Media	3,868.75	4,387.16
	440	Periodicals	1,318.75	1,495.46
	690	Miscellaneous Objects	687.50	779.62
		020		
	110	Regular Salaries	7,900.00	8,532.00
	210	OASI	462.15	499.12
	220	Retirement	395.00	426.60
	230	Health Insurance	212.16	243.98
	323	Repairs & Maintenance Services	800.00	907.20
	334	Travel	106.05	120.26
	410	Supplies	1,262.50	1,431.67
	430	Library Media	1,437.50	1,630.12
	440	Periodicals	375.00	425.25
	690	Miscellaneous Objects	687.50	779.62
		030		
	110	Regular Salaries	8,932.00	9,646.56
	210	OASI	522.52	564.32
	220	Retirement	446.60	482.32
	230	Health Insurance	212.16	243.98
	323	Repairs & Maintenance Services	800.00	907.20
	334	Travel	279.05	316.44
	410	Supplies	2,775.00	2,012.85
	430	Library Media	1,125.00	1,275.75
	440	Periodicals	1,650.00	1,871.10
	690	Miscellaneous Objects	1,075.00	1,219.05
2310		Board of Education Services	19,835.70	22,493.65
	110	Regular Salaries	2,200.00	2,494.80
	120	Temporary Salaries	1,100.00	1,247.40
	210	OASI	128.70	145.94
	310	Professional & Technical Services	10,650.00	12,077.10
	325	Rentals	500.00	567.00
	334	Travel	2,402.00	2,723.86
	350	Advertising	154.00	174.63
	360	Printing & Binding	1,078.00	1,222.45
	410	Supplies	655.00	742.77
	440	Periodicals	176.00	199.58
	640	Dues & Fees	792.00	898.12
2320		Executive Administration Services	43,864.69	47,649.24
	110	Regular Salaries	34,970.40	37,768.03
	210	OASI	2,045.77	2,209.42
	220	Retirement	1,748.52	1,888.40
	334	Travel	3,140.00	3,560.76
	410	Supplies	784.00	889.05
	440	Periodicals	280.00	317.52
	640	Dues & Fees	896.00	1,016.06

2410		Office of the Principal Services	96,550.21	104,770.66
		010		
	110	Regular Salaries	22,265.49	24,046.72
	210	OASI	1,302.53	1,406.73
	220	Retirement	1,113.28	1,202.33
	323	Repairs & Maintenance Service	250.00	283.50
	334	Travel	937.85	1,063.52
	410	Supplies	1,859.57	2,108.75
		020		
	110	Regular Salaries	20,302.86	21,927.08
	210	OASI	1,187.72	1,282.73
	220	Retirement	1,015.14	1,096.35
	323	Repairs & Maintenance Service	250.00	283.50
	334	Travel	937.85	1,063.52
	410	Supplies	980.98	1,112.43
		030		
	110	Regular Salaries	36,236.86	39,135.80
	210	OASI	2,119.86	2,289.44
	220	Retirement	1,811.84	1,956.79
	310	Professional & Technical Services	348.82	395.56
	323	Repairs & Maintenance Service	250.00	283.50
	334	Travel	937.86	1,063.53
	410	Supplies	2,441.70	2,768.88
2520		Fiscal Services	46,158.25	50,217.13
	110	Regular Salaries	35,521.20	38,362.89
	210	OASI	2,077.99	2,244.22
	220	Retirement	1,776.06	1,918.14
	323	Repairs & Maintenance Service	481.00	545.45
	325	Rentals	154.00	174.63
	334	Travel	492.00	557.92
	350	Advertising	308.00	349.27
	410	Supplies	2,818.50	3,196.17
	411	Postage	1,886.50	2,139.29
	440	Periodicals	82.00	92.98
	640	Dues & Fees	205.00	232.47
	650	Insurance & Judgments	356.00	403.70
2540		Operation & Maintenance of Plant	309,122.56	343,992.88
	110	Regular Salaries	109,458.24	118,214.89
	210	OASI	6,403.31	6,915.57
	220	Retirement	5,472.91	5,910.74
	310	Professional & Technical Services	2,000.00	2,268.00
	321	Public Utilities Service	56,940.52	64,570.54
	323	Repair & Maintenance Service	16,070.00	18,223.38
	324	Property Insurance	13,844.00	15,699.09
	326	Fuel Oil	76,273.58	86,494.23
	334	Travel	500.00	567.00
	410	Supplies	19,160.00	21,727.44
	540	Equipment	1,000.00	1,134.00
	690	Miscellaneous Objects	2,000.00	2,268.00

2550		Pupil Transportation	125,381.51	138,078.26
	110	Regular Salaries	68,556.99	74,052.34
	210	CASI	4,011.17	4,332.06
	220	Retirement	3,428.35	3,702.61
	310	Professional & Technical Services	1,000.00	1,134.00
	322	Clearning Services	750.00	850.50
	323	Repairs & Maintenance Service	5,000.00	5,670.00
	324	Property Insurance	2,500.00	2,835.00
	410	Supplies	39,125.00	44,367.75
	690	Miscellaneous Objects	1,000.00	1,134.00
2650		Statistical Services	1,691.00	1,917.59
	410	Supplies	41.00	46.49
	640	Dues & Fees	1,650.00	1,871.10

3000 COMMUNITY SERVICES

3900		Other Community Services	600.00	680.40
	690	Miscellaneous Objects	600[illegible]	680.40

4000 NONPROGRAMMED CHARGES

4100		Payments to Governmental Units	70,000.00	75,600.00
	310	Professional & Technical Services	70,000.00	75,600.00

6000 COCURRICULAR ACTIVITIES

6010		Athletics	21,831.08	24,756.43
	310	Professional & Technical Services	2,615.00	2,965.41
	334	Travel	9,480.04	10,750.36
	350	Advertising	601.00	681.53
	410	Supplies	8,810.04	9,990.58
	640	Dues & Fees	325.00	368.55
6020		Music	4,930.61	5,591.31
	322	Cleaning Services	250.00	283.50
	334	Travel	2,550.00	2,891.70
	350	Advertising	50.00	56.70
	360	Printing & Binding	100.00	113.40
	410	Supplies	830.61	941.91
	540	Equipment	1,000.00	1,134.00
	640	Dues & Fees	150.00	170.10
6030		Speech	1,000.00	1,134.00
	334	Travel	850.00	963.90
	410	Supplies	50.00	56.70
	640	Dues & Fees	100.00	113.40
TOTAL			$2,022,086.10	$2,217,750.52

1976-77 BUDGET REDUCTIONS

120.1	Trends & HiLife	- 3,300.00	
120.2	Advisory Boards	- 550.00	
120.3	Legal Services	- 5,000.00	
120.12	Business Office (Marshall/Stevens)	- 4,000.00	
130.12	Business Office (supplies)	- 1,500.00	- 14,350.00
213E	Two Teachers	-16,513.00	
213J	½ German Teacher	- 4,582.00	
213S	½ German Teacher, 3 Teachers	-30,489.00	
214.4J	Aide	- 6,600.00	
214.4S	Aide	- 3,627.00	
220E	Textbooks	- 1,700.00	
230.1J	Library Books	- 1,000.00	
230.1S	Library Books	- 500.00	
230.2J	Newspapers/Periodicals	- 800.00	
230.3J	Audio Visual	- 500.00	
230.3S	Audio Visual	- 500.00	
240E	Supplies	- 5,000.00	
240S	Supplies	- 6,000.00	
250E	Other Expenses	- 3,300.00	
250J	Other Expenses	- 3,500.00	
250S	Other Expenses	- 3,000.00	-87,611.00
300	Attendance	- 10.00	- 10.00
400	Health	- 2,677.24	- 2,677.24
510	Bus Drivers' Salaries	-10,000.00	
520	Contracted Services	- 4,000.00	
560	Supplies	-50,000.00	-64,000,00
610	½ Custodian's Salary	- 5,000.00	
620	Contracted Services	- 3,000.00	
630	Heat	-11,000.00	
650	Supplies	-10,000.00	-29,000.00
710	½ Custodian's Salary	- 5,000.00	
740	Other Expenses	- 2,500.00	- 7,500.00
820	Insurance	- 3,000.00	
850	Other Fixed Charges	- 1,100.00	- 4,100.00
900	Food Services	-25,000.00	-25,000.00
	TOTAL		-234,248.24

STATEMENT OF CHANGES IN GENERAL FUND BALANCE
SISSETON SCHOOL DISTRICT NO. 54-5

Balance 6/30/73	320.853.85	
	+1.657.494.41	Receipts & Transfers
	-1.743.139.31	Disbursements & Transfers
Balance 6/30/74	235.208.95	
	-6.056.89*	
Adjusted Bal. 6/30/74	229.152.06	
	+1.960.997.05	Receipts Transfers
	-1.823.141.40	Disbursements & Transfers
Balance 6/30/75	367.007.71	
	+6.056.89*	
	+2,056,153.07	Receipts Transfers
	-2,059,947.94	Disbursements & Transfers
Balance 6/30/76	369,269.73	
	-161.924.58	Encumbrances 6/30/76
Unencumbered Balance 6/30/76	207.345.15	

*This amount was added into the end of the year balance 6/30/74 by the state auditor. However, it was not carried forward into July. The transfer was never made until August 75. therefore it is not reflected in school year 1974-75.

ALL FIGURES ABOVE ARE TAKEN FROM THE DISTRICT'S ANNUAL REPORTS AND AUDIT REPORTS

EDUCATIONAL PROGRAM

Secondary

Graduation Requirements

5.19 Four year high schools shall require a minimum of 16 units of credit, or the equivalent, for graduation. Three year high schools shall require a minimum of 12 units of credit, or the equivalent, earned in grades 10, 11, and 12.

5.20 Local school boards may set graduation requirements over and above the minimums indicated here.

5.21 It shall be the responsibility of the local school system to provide the courses that will enable the college bound student to meet college course entrance requirements.

5.22 It is recommended that every student be required to have the following courses for graduation:

Course	Units of Credit or Equivalent
Language Arts	4 units
Laboratory Science	1 unit
Mathematics	1 unit
Social Science	2 units

5.221 Credits earned at the ninth grade level of junior high may be used to meet this recommendation.

5.222 An honor course at junior high level, equivalent in content and difficulty to a similar course at senior high level, may be used to fulfill the recommended graduation requirements. (Example: Honors Algebra at eighth grade level would meet the mathematics requirement.)

Minimum Secondary Program

Level II

5.23 A secondary program nine through twelve with a minimum of 26 units of credit, or its equivalent, shall be taught each year, except that a maximum of four units alternated on successive years may be counted toward meeting the 26 units and distributed as follows:

English or Language Arts		4 units
Science		4 units
Practical Arts and Vocational (Homemaking, Industrial Arts, Typing, Shorthand, etc.)		4 units
Mathematics		3 units
Social Science		3 units
Electives		8 units
	Total	26 units

5.231 Electives shall include physical education, fine arts, and driver education.

5.232 No more than one unit of physical education and two units of music may be counted in any one year toward meeting the required 26 units for Level II or 32 units for Level I.

5.24 A minimum staff of 6 teachers or the equivalent thereof plus the principal shall be provided in grades nine through twelve. A combination of grades seven through twelve shall provide a minimum of eight teachers or the equivalent thereof, plus the principal.

Level I

5.25 A secondary program shall include the Level II program plus an additional six units of credit for a total of 32 units of credit. Sufficient additional staff to provide the 32 units shall be employed.

Level I Exemplary

5.26 A secondary program equal to or in excess of the 38 units as required by the North Central Association.

Guidance Program - Secondary

5.27 A guidance program approved by the Division of Guidance of the Department of Public Instruction shall be maintained.

5.28 All activities and experiences shall be considered by the teacher as opportunities for guidance.

5.29 A professionally trained and qualified counselor at the ratio of one hour per day for each 75 students (450-1) shall be provided for grades seven through 12.

5.30 The Level I guidance program, in addition to the minimum standards, shall include adequate office facilities separate from the administrative offices. The counselor's office, equipped with a telephone, shall afford privacy for individual counseling.

5.31 Level I Exemplary shall meet or exceed North Central Association Criteria.

A UNIT OF CREDIT

5.32 A unit in a secondary school is defined as a course which meets a total of 200 minutes per week for a school year.

5.33 A unit of laboratory science meets for a total of 275 minutes per week for a school year with adequate time for laboratory work.

5.34 The unit of credit is the traditional measure of a subject and indicates that a student has spent a specified number of minutes within the class. Schools that deviate from the unit through modular scheduling, individualized study, contract systems or others should be able to properly equate to the unit system so that students can meet graduation requirements, college entrance and employment requirements that are based upon units of credit.

ACTIVITY PROGRAM

Secondary

5.35 A well balanced activity program for both boys and girls that gives opportunities for a variety of activities in the areas of special interests, student government, cultural pursuits, physical activities and others shall be maintained.

5.36 The activity program shall provide opportunity for participation by large numbers of students rather than many activities for a select few.

5.37 All activities shall serve an educational purpose. They should contribute to the development of leadership on the part of students.

5.38 All activities shall be properly sponsored by a member or members of the faculty.

5.39 Activities that involve contests sponsored by commercial interests shall be carefully considered by the administration as to their educational value.

ADULT EDUCATION CREDIT COURSES

High School Level

5.40 If a school system operates an Adult Education Course that gives high school credit, the following regulations shall apply.

5.401 The course shall be taught by a teacher who holds a valid certificate with the same preparation as is required to teach in the regular school program.

5.492 Minimum course content shall be the same as is required in the regular high school program.

5.403 The minimum achievement by enrollees should be comparable to the expectations of students regularly enrolled in high school.

SALARY SCHEDULE SISSETON, SOUTH DAKOTA 1976-77 SCHOOL TERM ADOPTED 4/13/76

EXP.	2 Yr.	2 + 16	3 Yr.	3 + 16	BA	BA + 16	MA	MA + 16
0					7,900.00	8,295.00	8,690.00	9,085.00
1					8,216.00	8,611.00	9,006.00	9,401.00
2					8,532.00	8,927.00	9,322.00	9,717.00
3					8,848.00	9,243.00	9,638.00	10,033.00
4					9,164.00	9,559.00	9,954.00	10,349.00
5					9,480.00	9,875.00	10,309.50	10,704.50
6					9,796.00	10,191.00	10,665.00	11,060.00
7					10,112.00	10,507.00	11,020.50	11,415.50
8					10,428.00	10,823.00	11,376.00	11,771.00
9				8,769.00	10,783.50	11,178.50	11,731.50	12,126.50
10					11,139.00	11,534.00	12,087.00	12,482.00
11					11,494.50	11,889.50	12,442.50	12,837.50
12					11,850.00	12,245.00	12,798.00	13,193.00
13						12,600.50	13,153.50	13,548.50
14							13,509.00	13,904.00

1. (Teacher going from 3+ schedule will move to BA Degree, Step 5 or to corresponding step if less experience than 5 years.)
2. (Board reserves the right to go over and above schedule when they deem it necessary.)
3. (Probation status salaries will be set by the Board.)

SISSETON SCHOOL DISTRICT NO. 54-5

No.	Non-Certified Staff	Salary		
		Low	Average	High
6	Secretaries	2.47	2.66	3.08
10	Custodians	2.30	2.74	3.67
1	Head Custodian		3.99	
17	Teacher Aides	2.47	2.53	2.61
16	Bus Drivers	2.70	3.19	3.52
1	Mechanic		3.58	
1	Transportation Supervisor		9,130/year	
20	Cooks	2.20	2.48	2.68
1	Head Cook		4,840/9 mos.	
1	Asst. Business Manager		9,470/year	
1	Bookkeeper		4.50	
3	Home-School Coordinators		3.25	
1	Nurse's Aide		3.00	
1	Indian Affairs Coordinator		10,500/year	

NORTH EAST SOUTH DAKOTA [illegible] DISTRICT slots available for vocational classes

		2	1	1	1	2	2	1	1	2		
		2-32	1-16	1-16	1-24	2-32	2-32	1-16	1-24	2-32		
	75-76 Enrollments 76-77 percent of slots	Auto Mechanics	Agriculture	Building Trades	Drafting	Electricity	Food Service	Health Occupations	Office Education	Welding	Totals	Percent of Slots filled
SISSETON	469 62.63	20 22	10 6	10 6	15 12	20 26	20 22	10 3	15 1[illegible]	20 13	140 124	5[illegible].57%
SUMMIT	74 9.87	3 1	2 3	2 4	2 1	3 1	3 2	2 4	2 3	3 4	22 23	104.54%
VEBEEN	80 10.63	3 3	2 2	2 1	2 1	3 3	3 0	2 0	3 5	3 1	23 19	8[illegible]%
WILMOT	126 16.82	5 6	3 0	3 5	4 1	5 2	5 5	3 6	4 1	5 9	37 35	97.29%
TOTALS	749 100%	31 32	17 11	17 16	23 13	31 32	31 29	17 13	24 23	31 27	222 201	90.54%

[illegible], President — [illegible] A. [illegible], Business Manager

Sisseton Public School

DEPARTMENTS
Agriculture Business
Academic Physical Education
Home Economics Industrial Arts
Distributive Education Fine Arts
Vocational Education

M. J. RABENBERG, Superintendent
C. R. WILLIAMS, High School Principal
MURDEAN OLSON, Middle School Principal
NOEL VALNES, Elementary Principal

DIRECTORS
LeRoy [illegible] Arthur Weinkauf
[illegible] Larry [illegible]
Marvin [illegible] John [illegible]
Cleo [illegible] Wayne Johnson
David [illegible]

Sisseton, South Dakota

February 16, 1977

JoAnn Goldsmith
Director of Equalization
Roberts County Court House
Sisseton, SD 57262

Dear Mrs. Goldsmith,

On March 22nd I am to appear in the Aberdeen Area Office for the purpose of showing need for additional operational dollars for our school district.

There seems to be much confusion at the federal level as to personal property tax payments made by Indian people. Would I be safe to assume that less than 10 Indian people are paying personal property taxes at the present time in Roberts County?

I thank you for your time and effort.

Sincerely,

M. J. Rabenberg
Superintendent of Schools

MJR:pjo

1963 NEA Pacemaker Education Award — 1966 NEA Thom-McAn School Board Award

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PHONE [illegible]

OFFICE OF
DIRECTOR OF EQUALIZATION
ROBERTS COUNTY

SISSETON, SOUTH DAKOTA

February 17, 1977

M. J. Rabenberg
Superintendent of Schools
Sisseton, South Dakota

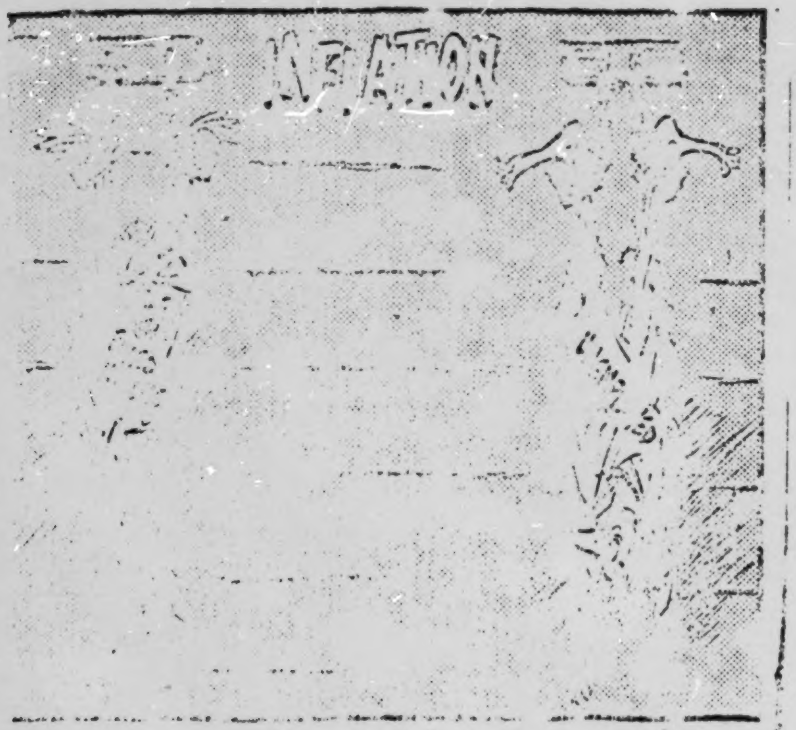
Dear Mr. Rabenberg:

In reply to your letter concerning Indian people who are paying personal property taxes in Roberts County at this time, the figure would be less than 15.

I hope this will be of help.

Sincerely,

JoAnn Goldsmith
Director of Equalization
Roberts County



"UNTIL YOU SHOWED UP, I THOUGHT I HAD IT TOUGH"

STATEMENT OF M. J. RABENBERG, SUPERINTENDENT OF SCHOOLS, SISSETON PUBLIC SCHOOLS, SISSETON, S. DAK., ACCOMPANIED BY LARRY LEKNESS, SCHOOL BOARD MEMBER

Mr. Rabenberg. Thank you, Mr. Chairman.

I would ask your permission to have one of my board members at the table, Larry Lekness, with us.

Mr. Blouin. That is perfectly acceptable.

Mr. Rabenberg. Mr. Chairman, as you stated, my name is Mr. M. J. Rabenberg, Superintendent of Schools in Sisseton, South Dakota. I would like to express my appreciation as well for the total community and for the State, as I happen to be here in a dual role, being an officer of our impact aid group from the State of South Dakota.

We would basically like to speak this morning to the possibility of replacing the interim funds or to talk to interim funds to replace those Johnson-O'Malley dollars that are being phased out as a result of Public Law 93-638.

This particular phase-off of funding over three years has placed a great deal of pressure on the public schools in the State of South Dakota, and at present we have basically seven support schools that would be caught in this financial dilemma.

Forty-one percent of our student body is composed of Indian students. We have some 1,500 students in our entire district. Our district is composed of some 650 square miles, and of this, 51 percent of our property is non-taxable. Ninety percent of the property in our state is taxable so I think in a comparison of those two figures you can see why our school district probably is in more difficulty than most.

In the Sisseton school system we run four basic schools. We have one rural elementary school, an elementary, and what we call a middle school, and a high school in the city limits.

The aforementioned phase-out leaves our board of education in a delicate financial position, namely that our general fund this year will be looking at a $280,000 deficit. This does not include any of the cutbacks from the previous year or of the services and personnel that have been cut this year.

Presently, the board of education is at an impasse with its employees; we are having unfair labor practice suits filed; we are having grievances coming in from every corner of the district, for one reason—dollar signs. With the amount of money the board has to operate, the known income will be from $300 to $400; possibly $500 below the State medium on a base salary schedule, and I think we can all understand why our employees are a bit upset over that.

I guess overall what I am trying to say is that our board of education is being asked to commit dollars which they do not have. At the local level they have exhausted all available means of revenue at the State level.

I happened to be here for part of the hearings yesterday, and I understand from people who testified previously that there seems to be a concern by departments that possibly South Dakota has not met its fair share of the burden. I am not in a position at this time. I was hoping Congressman Pressler would be here to speak to the miser charge that was leveled yesterday.

As far as I could speak in this behalf now, I have very little control as a school administrator over the elected county board officials who are the gentlemen who are charged in the final totality with setting levies. I have about the same amount of luck in working with the elected State legislative officials. We go out, we canvas, we harass, we do about all we can do with these people, and I guess the one thing that I would say in their behalf, in the 17 years now that I have been a chief school administrator, is that our State Legislature has never reduced our known income from the year before. We have always received a small increase or a reasonable increase for the next year, and I guess it would be true again this year.

Our State Legislature, through an equalization formula which you heard yesterday our State does not have, gives a $150,000 increase this year through the equalization formula. That looks a lot different to my district than a $250,000 cutback through a three year phase-out.

Getting back to the problems that the board does have, over the years they have received all children in our district in good faith, and back some nine, ten years ago, when reorganization took place in the northern part of South Dakota, there was a concerted effort by the Indian community, by certain of the church groups, that this reorganization should be a one time operation, which it was.

The parochial schools were closed, the day schools and Bureau schools were closed, and they all made their commitment to the public school concept. At this time it was that the buildings came into play.

I guess the main thing we would ask your committee to consider—and I am sure you have already—is that if we are curtailed to a certain point where the educational services are going to be limited to where our people are going to be looking to other sources in our school, that you would come back and compare the cost of the public school versus that of the BIA or private schools.

We had come in fully with the idea, and first of all I would have to say that our particular school board has gone on record, that we would go on record that these interim funds be attached to Public Law 874, even if it were in the aspect of a completely new division or a new breakdown, or a separate account under 874, but with one restriction.

We would hate to see Public Law 93-638 get into Public Law 874 such as it has into Johnson-O'Malley.

I know this is going to be hard for some of the committee Members to understand and probably some of our guests in the audience, but we do have a problem with advisory boards having control over monies without having resonsibilities according to State law. I have no quarrel with advisory boards in nature. I would ask this committee to remember that I work with 27 advisory boards, and I also have an elected school board, so sometimes we do run into conflict.

I understand that Dr. George Scott with the BIA has been working on a formula. We have been under a formula basis up until the last two years in the State of South Dakota based on need. There were four or five very basic fundamental variables that would fit the State of South Dakota I feel as an administrator that they meet the needs of South Dakota quite well. I understand now that Dr. Scott and his committee have run into trouble with this formula in other states, and I guess I would ask that this committee still keep it in mind, at least if we cannot come up with a formula I would hope we could retain most of those qualifying factors. I guess that is how you build a formula.

The one thing I would like to relay to the committee on behalf of the impact aid schools from the State of South Dakota is that if and when alternative funding is found or derived, it would be the consensus of the schools in the State of South Dakota that it not be attached to Public Law 874.

This is where I feel possibly I am playing the role of a hypocrite, because my particular school board does go on record of being attached to 874 as a viable alternative. The majority of the impact schools in our state do not, for only one reason, Public Law 93-638, and I think if that could be alleviated or taken to this point, and I think one way we would feel it could be alleviated would be that the basic support dollars come directly to the school districts involved, the special programs, and the part A of the Title IV programs that we have always considered over and above type funding, that those could well and should remain in the hands of the advisory board and/or Tribal people.

Our main concern here is that the basic support dollars come back to the school district without administrative costs being taken off across the top.

The one last thing I would ask, Mr. Chairman, when your committee was out to the State on your fact finding trip, our board offered that if you would like your committee to have a school to visit, to go through some of the concerns that come up from these hearings, that our district would be glad to do this, and I understand there have been problems because this has not been accomplished to date, and I think Mr. Lovesee will share with the committee that both our school board chairman and our Tribal chairman and myself have made this request and the request still stands.

We would be more than glad to have representatives of your fact finding committee come out, and try to resolve some of the questions that undoubtedly will come up from the hearings.

Mr. BLOUIN. Thank you, Mr. Rabenberg.

Our next witness will be Mr. Charles Fields, Superintendent of Standing Rock Public Schools, South Dakota.

[The prepared statement of Mr. Fields follows:]

TO: Subcommittee on Elementary & Secondary & Vocational Education:

Honorable Chairperson, members of Committee, ladies and gentlemen:

My name is Charles Fields, I come from the state of South Dakota, "The Land of Infinite Variety."

My testimony will address itself first to the philosophy and secondly to the needs of the schools I will be representing, McLaughlin, McIntosh, Timber Lake, and West River. The first two are located on the Standing Rock Indian Reservation and the second two on the Cheyenne River Reservation. Basically, the needs of both in education and financial assistance are the same.

With this introduction, I offer the following testimonial:

Attempts at achievements are begun in many instances by humble actions toward their goals, and from these small acts comes the strength to go on to greater acts as they mature in age and wisdom.

Comes the time again to gather our resources about us and plead for assistance for education and nurture our desires to protect our greatest asset - OUR YOUTH.

So often we have been lulled into believing that all is well and that there should be no worry of our being left like a ship at sea to flounder in our mistakes, only to be awakened to the reality that all is not as had been told to us.

It would be easy to use our time at this meeting reviewing the shortcomings of American society and its public and private leaders in moving toward the ideal of quality education. The learned persons whom we are addressing need not be reminded that momentum has been lost and that partisan political advantage has superseded principle and that our children continue to be victims of an adult society that imposes its prejudices on this generation.

These records establish themselves with enough clarity that there is little room for debate. We now should use our time and energies more effectively by asking "What do we do now?"

Any approach toward resolving our needs must be based on the assumption that without long termed goals based on some evidence of security we will continue to struggle with our internal needs of financial aids.

Some years ago the Indian, through treaty rights, were guaranteed the right to free and equal education. Through various acts of treaty and reform, programs were established through Bureau of Indian Affairs Department of Interior for the education of all persons considered by blood quantum to be Indian. There was an interim of time when most all of these educational endeavors were performed by the above named. At this time little or no thought was given to the idea that Indian students would be other than the responsibility of the United States Government.

As the Indian parent began a migration away from their reservation homes or chose to have their children attend other than Bureau schools, there was then enacted by law the Johnson O'Malley program which gave Indian children near public schools located on or near reservation areas the right to attend these schools.

This began a reform toward a school based on a fully integrated social system without evidence of discrimination. These views were accepted as a basis for changing public policy and encouraging private action in reducing discrimination and enhancing the rights and opportunities of minorities. Basically, these views were sound and produced an amount of success. Some movements have threatened the spirit, if not the substance, of this integration and some learned individuals have cast some shadows on the conventional assumption about the benefits derived from an integrated society. There are many yet who feel somewhat threatened that their jobs, property, and future security is based on this same integrated society. Those who may have provided leadership for the move toward this integrated society may not have been as wise as you learned people may be.

It is not that we are pushing to further integration, but simply to be sensitive to the fact that our gains should be ours to preserve and future gains be credited to those who make them possible

Going now to the problems that confront us: Our knowledge that through legislation that has become law we are faced with the total loss of basic support originally granted to us through formula and the further intent to reduce our revenue of financial support through various losses in Title I 874; we now come face to face with reality. The reality that we can no longer be assured that the Indian child will be able to compete with peer groups in an integrated society. That, through lack of attitudes toward moral issues and legal basis, both of which bring no promises or future toward illuminating our intractable social problems. We are determined that we will not be denied the right to equal protection of the law.

It would be a mistake for us at this time to speak other than to the issues that face us.

The four schools that have been named are all located within the confines of Indian reservation area, in the state of South Dakota.

Land acreage that lies within the school boundaries are in the following proportion:

1. West River, 3[illegible]% of acreage is Tribal owned or Indian allotment - Total Acreage of school district is 400,000 acres.

2. Timber Lake, 35% of acreage is Tribal owned or Indian allotment - Total acreage of school district is 444,000 acres.

3. Mc Intosh, 34% of acreage is Tribal owned or Indian allotment - Total acreage of school district is 572,904 acres.

4. McLaughlin, 48% of acreage is Tribal owned or Indian allotment - Total acreage is 511,668 acres.

Assessed evaluation of the four school district is approximately forty-four million dollars. The maximum mill levy for educational purposes allowable by law is twenty-four mills on agriculture land and forty mills on non-agricultural land. Presently all districts are assessed at or near the top of the allowable rates. Full mill levy at the extreme maximum would only generate another $23,000.00 for all four districts.

Cost of education differs only slightly with a range of 1,150 to 1,350 dollars per student.

Total school population of the four districts is 2,004. Of this number by Johnson O'Malley requirements of blood quantum, 530 are considered Indian students. By these calculations 26.4% of all students currently attending these schools are Indian.

Local taxable efforts at the maximum will produce less than 40% of the educational costs of each child. We must search elsewhere for financial assistance to continue the present standard of education.

All schools must maintain a certain level of accreditation to be able to continue any assistance from state equalization. These minimums are set by State Code of School Laws and are enforced by State Law through Accreditation and Certification.

Two of these schools McIntosh and West River receive basic support monies under Johnson O'Malley contracting of Bureau of Indian Affairs. The other two are declared not eligible by certain quirks of J.O.M. regulations as interpreted by Bureau personnel.

All schools do receive 874 Title I Impact Aid Funds. Money derived from 874 is approximately $440,000 for all four schools.

Using the acreage of total land area in proportion to that area that has no tax base, the percent of Indian or non-taxable land is 38.7% of the total.

Our loss of income because of the reduction of basic support money is affecting and will continue to affect the two schools now receiving money. The reduction of 1/3 of basic support money for school year 1976-77, a further reduction of 1/3 of this same money for school year 1977-78 will leave no money for school year 1978-79 as the money will have been depleted by the formula reduction.

This reduction has jeopardized somewhat our public relations between the two culture groups, the Indian and the non-Indian. Any talks of loss of revenue coming from any form under basic support or impact aid generates an atmosphere of discontent amongst the so called taxpayers.

Nothing but turmoil could come from a threatened or perhaps materialistic reduction of school staff and lowering of operational and maintenance costs of our present educational structure. The thought of many that in the event of reduction of impact funds that perhaps the first priority should be given to those students who come from families paying into the local effort through taxation would lead to utter chaos.

We have through the past few years established a rapport between the two culture groups that lead toward total acceptance of one society to another. Any incident that would incite either group to quarrelsome action is certainly to be guarded against.

I am not an authority on education nor do I profess to be other than a public servant who is dedicated to the thought that ours should be a free society dwelling together in peace and harmony.

This concludes my testimony. I realize that there are cloudy areas of thought presentation and I sincerely hope that you will understand the plight of our schools in their effort to provide equal education to all students.

Thank you very kindly for your time and your attention.

STATEMENT OF CHARLES FIELDS, DIRECTOR OF PROGRAMS, McLAUGHLIN SCHOOL DISTRICT, SOUTH DAKOTA, ACCOMPANIED BY WILLIAM WARREN, SUPERINTENDENT

Mr. Fields. Mr. Chairman, I would like the privilege of having Mr. Warren seated as a part of the panel.

Mr. Blouin. Without objection that will be fine.

Mr. Fields. For a matter of record, I am very pleased with the new title bestowed upon me, but I am not the superintendent of schools, Mr. Chairman.

I am the programs officer that works with the various schools in organization and delivery of programs.

Mr. Blouin. You will take whatever gratuities come with the title.

Mr. Fields. That is true. I am not sure the other person would allow me to accept this new title though.

I will try to be very brief in my summation of the testimony. You do have before you my written testimony.

I would like to address one thing on a special aspect of my testimony, in that at no time have we dealt with the social part of any of the programs and by this I mean the money that affects our school also affects our community.

We perhaps live in a rather unique situation in the area I come from representing four schools. Two of these are located on the Standing Rock Indian Reservation, two on the Cheyenne River Indian Reservation. Our population is equally divided between the Indian and the non-Indian, about 50 percent in all locations. Our land area is about 40 percent Indian land or alloted land that has no tax base of the four districts combined.

There is one error, and I believe it's on page 3 at the very bottom of the page where it says West River, 38 percent of acreage is Tribal owned or Indian allotment. That total acreage of total school district should read 1.5 million. That 400,000 is the Tribal owned or Indian alloted land. It was a mistake on my part, when I read it back I did not catch it.

In our reservation area which at times has seemed to be forgotten by lobbyists and reform, we are, I feel, very much a lost part of the legislation, which at one time granted the Indian student the right to their free choice of schools and gave them the same inherent right as it did any other part of the society.

I have no quarrel with the Bureau of Indian Affairs or any agency, but my main concern is again with the student who I feel is going to suffer from our lack of energy, or direction at the present time.

We touched briefly yesterday in some of the testimony on accountability. This is something that I would very much like to become a part of the programs. Supplemental or special programs, the money coming in is really not going to be the answer to our problems. Without money coming in, for our operational and maintenance effort, no amount of supplemental is going to help us.

I think we must understand that without the financial assistance which we feel that we are due, the parent as well as the student, as I alluded to a few minutes ago, will all suffer a certain remorse.

My opinion is also that number or percentage should not enter into the final agreement. I feel that one student should benefit as well as a great number.

I would like to close the testimony with the idea that I concur in what Mr. Rabenberg has said, other than the one area he alluded to, and that was the comingling or the attachment of the dollars from basic support going into 874, and I believe he again defined this very distinctly of how the impact schools in South Dakota would wish this to be handled.

With that, I thank you.

Mr. BLOUIN. Thank you .

Our third panelist is Mr. Earl Barlow, who is the Superintendent of Schools, Browning, Montana.

Feel free to summarize your testimony, and as with all witnesses, your complete testimony will be made a part of the record.

[The prepared statement of Mr. Barlow follows:]

Browning Public Schools

SCHOOL DISTRICT NO. 9

Browning, Montana 59417

May 18, 1977

TO: The Honorable Carl D. Perkins, Chairman
Committee on Education and Labor
House of Representatives
Congress of the United States
Washington, D.C. 20515

FROM: Earl J. Barlow, Superintendent of Schools
School District # 9
Browning Public Schools
Browning, Montana 59417

RE: Testimony on Indian Education prepared for the Subcommittee on Elementary, Secondary, and Vocational Education

Section I

INTRODUCTION

School District No. 9 is located within the exterior boundaries of the Blackfeet Indian Reservation and serves a local tribal population of more than 8,000 members. Many non-members reside on the reservation as well as non-Indians.

The Blackfeet Indian Reservation is located in the northwestern section of the State of Montana, bordering Canada on the north. The reservation spans fifty-eight miles at its widest point and fifty-two miles at its longest. The reservation includes approximately 2,500 square miles of diverse topography. Browning, the cultural and trade center of the Blackfeet people, is the only incorporated town on the reservation. The Blackfeet people, including the 5,000 who reside in Browning, exist on an annual median income of $3,200.00. To a large degree, the people must rely on Tribal support for economic development, housing, industry, and the ability of the reservation to initiate and provide needed services.

The public school system is comprised of eight schools and has an approximate student population of 2,000. The Bureau of Indian Affairs and School District #9 operate a boarding facility for reservation students who reside in isolated areas or who come from unstable home environments. In an effort to provide centralized educational facilities, the school district runs buses to several parts of the reservation. This provides a mix of students including Blackfeet students whose primary language is English, Blackfeet students whose primary language is Blackfeet, Cree Indian students and Anglo students. There is also a mix of Indian and

Anglo teachers and staff. Until recently most teaching and staff positions were held by non-Indians. During the last few years, however, the public school system has encouraged Blackfeet and other Indian teachers, counselors and administrators to work on the reservation.

Although the public school enrollment is approximately 95% Blackfeet, 4% Cree and 1% Anglo, the district does not discriminate against any student because of his or her race, color, national origin or for any other reason. Schools are attended by students with more varied backgrounds than the statistics would lead one to believe. Many Blackfeet parents who perhaps years ago lived on the Reservation, but for many years have lived elsewhere in Montana or the United States, have returned to Browning and have enrolled their children in the public schools. Many of these parents and children are more familiar with the dominant white culture and language and with other cultures, than they are with their own Blackfeet culture and language. There are also students who know only the Blackfeet culture, and those students who exist in both their Blackfeet world and in the world of the white man.

The Board of Trustees, School District #9, Browning, Montana, will continue to strive for the provision of an equal educational opportunity for all students who attend Browning Public Schools.

Also, students residing on the Blackfeet Indian Reservation are served by public schools in School District #15, Cut Bank, Montana; School District #50, East Glacier, Montana; and School District #1, Heart Butte, Montana.

Section II

PRINCIPLES OF MONTANA SCHOOL FINANCE

In order to properly address the topic of federal support to public school districts in Montana having substantial Indian populations one must have an understanding of the financing of the general maintenance and operation costs (General Fund budget) of Montana Schools.

This outline of school finance is simplified in order to present clearly the basic relationships of the several sources of financial support for schools. There are many exceptions and special cases; these are omitted from the outline in the interest of overall clarity.

AN OUTLINE OF THE FINANCING OF THE GENERAL MAINTENANCE AND OPERATION COSTS

I

A school budget is established annually; the budget fixes the amount of revenue required for the year's operation of the school and the maximum expenditures for the year.

Section 75-6906, R.C.M.,1947, as amended, defines the foundation program as "...the minimum operating expenditures as established herein, that are sufficient to provide for the educational program of a school."

Under the law, the Foundation Program is based on enrollment, and varies in proportion to the enrollment classification of the school.

Enrollment, under the Foundation Program law, is translated by a specified formula into "average number belonging - ANB" which results in a relationship between the number of pupils enrolled in a school and the number of school days, for Foundation Program calculations.

The actual budget for operating a school* must equal at least the Foundation Program - the minimum amount for operating a school, as defined by law, in most instances, the actual school budget exceeds the minimum established as the Foundation Program. A maximum budget is fixed by law for general maintenance and operation (General Fund) budget. This outline describes only the financing of the General Fund budget.

II

A mandatory basic county tax of 25 mills is levied on property in the county for elementary schools and 15 mills for high schools.

Monies from these levies are apportioned to school districts according to a statutory formula for county equalization aid. (75-6915)

III

If Foundation Program requirements exceed the total income from the school's proportionate share of the basic county levy, the school may then receive state equalization aid according to a schedule established by the Foundation Program Law.

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*Exclusive of transportation, debt service and other supplemental budgets.

State equalization aid is derived from 25% of revenue from state income taxes, 25% from corporation license taxes, 50% of the state's share of U.S. oil and gas royalties, the interest from the investment of the public school fund and the income from the rentals of public school land, 10% from the state coal tax, surplus from the 25 mill elementary and 15 mill high school levies, any other sources provided by law, and appropriations made by the legislature.

When the available state equalization aid is insufficient to permit the state to provide its share of the total Foundation Program as established by statutory schedule, the amount of the state's deficiency must be raised by levying an additional tax on all property in the state to bring the district's school revenue up to the full amount of the Foundations Program.

The Foundation Program does require a basic minimum expenditure for school operation, with the provision that additional taxes be levied to support this expenditure when state revenues are insufficient to pay the state's scheduled share.

IV

The above sources of revenue are utilized for General Fund budgets which do not exceed the minimum Foundation Program. For a General Fund budget which exceeds the Foundation Program by an amount of not more than 25%, the latter amount of revenue may be raised by levying an additional tax of not more than 9 mills in elementary school districts and not more than 6 mills in high school districts on the property of the district, the balance of the permissive amount will be raised by a statewide levy and distributed to the various school districts. these levies, the permissive levies, may be imposed without vote of the electors.

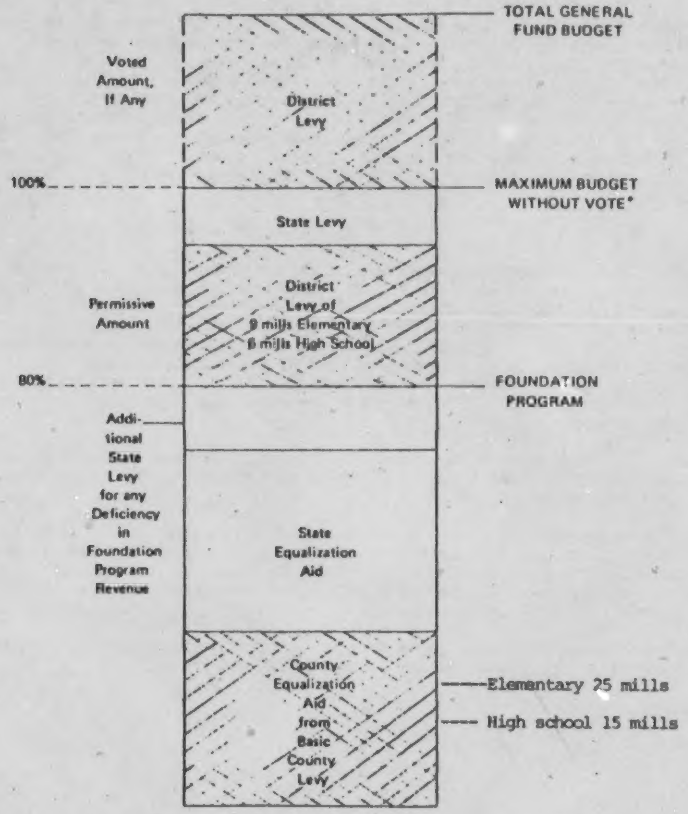
The maximum budget is the sum of the Foundation Program and the maximum permissive amount (one-fourth of the Foundation Program); this maximum budget is fixed by law.

Revenue required for a General Fund budget in excess of that derived from the above sources may be raised by an additional levy on the property in the district, if the electors of the district vote to approve this additional levy and such amount does not exceed the maximum budget increase allowed by the legislature.

Such a voted levy may be used to meet those financial requirements of the General Fund budget which are not met by other means.

SCHOOL DISTRICT GENERAL MAINTENANCE AND OPERATION

(General Fund Budget)


TOTAL GENERAL FUND BUDGET
Voted Amount, If Any
District Levy
100%
MAXIMUM BUDGET WITHOUT VOTE*
State Levy
Permissive Amount
District Levy of 9 mills Elementary 6 mills High School
80%
FOUNDATION PROGRAM
Additional State Levy for any Deficiency in Foundation Program Revenue
State Equalization Aid
County Equalization Aid from Basic County Levy
Elementary 25 mills
High school 15 mills

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* Amount for any school for Maximum Budget Without Vote (and Foundation Program) set by statutory schedule and approved allowable Special Education Costs.
(See *Topic 14 – Foundation Program.*)

FEDERAL FUNDS IN THE GENERAL BUDGET

Federal funds intended for the General Fund budget such as those received under Title I of Public Law 81-874 (Federal Impact, P.L. 874), are budgeted for according to the same general principles which apply to other General fund revenues. A district receiving such federal funds can plan its financial operation best by holding until June 30 all funds received during the year, then using the funds as cash reappropriated for the next year's budget; in this way, the budget can be prepared on the basis of reasonably accurate revenue estimates. As Cash Reappropriated, the federal funds are considered to be of the same character as any other cash balances which the district may have for reappropriation, and are used as such to reduce district levies.

If a district eligible for federal funds for the General Fund budget cannot avoid budgeting an amount of revenue not yet received from the federal government but anticipated for receipt during the year, the amount of federal revenue so budgeted should not exceed the amount for which firm entitlement has been established, and of which entitlement the district has received official notification from the federal agency. Only by budgeting based on positive assurance of federal funds can a district be protected (by planning for adequate revenues from other sources) if the federal funds anticipated fail to be paid during the year.

A district receiving federal funds for its General Fund support, when the federal funds were not included in the budget, may expend any funds up to, but not exceeding, the total Approved Expenditure.[1]

The total of the Approved Budget may not be exceeded; funds remaining will become Cash Reappropriated for the next year.

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[1] This limitation does not effect special programs to which the provisions of the Budget Acts do not apply, such as Vocational Education, the National Defense Education Act, the Elementary and Secondary Education Act and other special programs; see 08, Miscellanous Federal Funds, below.

ADDITIONAL EXPENDITURE OF FEDERAL FUNDS BY VOTED AUTHORIZATION

Any General Fund expenditures above the Maximum Budget must be authorized by a vote of the people, in accordance with 75-6923.

According to Vol. 28, OP. 58, (Official Opinions of the Attorney General), voted authorization to exceed the Maximum Budget (formerly called the Permissive Budget) must be obtained by a district receiving federal funds, even though the federal funds are adequate to finance the desired expenditure above the Maximum Budget.

In accordance with Vol.28, Op.58, the Attorney General has recommended a special form of ballot for use by school district electors to authorize the expenditure of federal funds; this ballot is worded to avoid giving electors the erroneous impression that such a vote requires a tax levy.

This special ballot is for use only by districts receiving federal funds under Public Law 874.

This special ballot may be used when a district receiving money under Title I of Public Law 81-874 (Federal Impact, P.L. 874):

(1) Wishes to adopt a General Fund budget larger than the total of the Maximum Budget, and

(2) Has sufficient Federal Impact money (when added to any other cash such as tuition earnings, miscellaneous revenue and cash for reappropriation) to reduce to zero any District Levy for the Permissive Amount, and

(3) Has Federal Impact money remaining after levy reduction, which remaining money the district wishes to use in the General Fund.

The following example illustrates the method of calculating the dollar amount to be placed on the School District Election Federal Funds Ballot. The example is for an elementary school; a high school would follow the same procedure, using those sources of revenues authorized for the high school General Fund budget.

Assume an elementary school with:

A Foundation Program of	$100,000
A Permissive Amount of	25,000
Total General Fund Budget without Vote (Maximum Budget)	$125,000

General Fund Revenue from Authorized Sources:

County Equalization Aid	$ 43,000
State Equalization Aid	47,000
Apportionment from Additional State Levy	10,000

Permissive Amount:

State Permissive Aid	$ 15,000
Nine (9) mill District Levy*	10,000
Total Revenues	$125,000

Assume this school has, as available Cash:

Tution Earnings	$ 2,000
Cash for Reappropriation (General Fund)	4,000
Miscellaneous Revenue (General Fund)	3,000
Federal Impact money for General Fund use	50,000
Total Cash to Reduce Levies	$ 59,000

To comply with the budget laws, the $59,000 must first be applied to reduce district levies.

The district levy to be reduced is:

District Levy for Permissive Amount:	$ 10,000

Determination of Remaining Available Cash:

Cash Available	$ 59,000
District Levy to be Reduced	10,000
Remaining Cash to be Voted	$ 49,000

The amount of remaining available cash, $49,000, is the amount which would appear on the Special Ballot.

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*Subject to reduction by available cash.

SAMPLE BALLOT

OFFICIAL BALLOT

SCHOOL DISTRICT ELECTION FEDERAL FUNDS BALLOT

Instruction to Voters:

Make an "X" in the vacant square before the word "FOR" if you wish to grant authority to the trustees to expend the money; if you are opposed to granting the authority, make an "X" in the square before the word "AGAINST."

☐ FOR granting to the trustees of this school district authority to expend for the general operation and maintenance of the school(s) of this district funds in the extimated amount of $.............received or to be received from the United States Government for the use of the school(s) in lieu of moneys from voted levies on the district.

☐ Against granting to the trustees of this school district authority to expend for the general operation and maintenance of the school(s) of this district funds in the extimated amount of $.............received of the school(s) in lieu of moneys from voted levies on the district.

THE Use of Federal Funds Received Under Title I of Public Law 81-874 (P.L.874) for the Provision of School Lunches -

Section 75-8006 provides as follows:

"The trustees of any school district receiving federal reimbursement in lieu of taxes may request the allocation of a portion of such federal funds to the school food services fund to provide free meals for federally connected, indigent pupils when the pupils are declared eligible. In granting the request, the county superintendent shall comply with the following procedures:

(1) The indigency must be certified by the county department of welfare, assisted by a committee of three(3) composed of the county superintendent, a representative of the county health department, and an authorized representative of the district;

(2) A certified, detailed claim for the amount of the federal reimbursement in lieu of taxes that is to be allocated to the school food services fund shall be filed by the district with the county superintendent. The county superintendent shall confirm or adjust the amount of the claim by:

(a) Determining that the pupils included on the claim have been declared indigent under subsection (1);

(b) Determining the number of meals provided the indigent pupils by the school food services;

(c) Determining the price per meal charged the nonindigent pupil; and

(d) multiplying the number of meals provided to indigent pupils by the price per meal.

(3) After the county superintendent's confirmation or adjustment of the claim, he shall notify the district and the county treasurer of the approved amounts for allocation to the school food services fund. The district shall deposit the approved amount in the school food services fund on receipt of the succeeding federal payment in lieu of taxes."

SECTION III.

PUBLIC LAW 81-874 -- IMPACT AID

Impact Aid was first authorized in 1950 to fit into our system of school finance in order to compensate school districts for loss of revenue and increased costs resulting from federal ownership of real property, and to provide a minimum level of education for children of federal employees.

In 1952, Public Law 874 was extended to public schools on Indian reservations. Since that time Impact Aid funds have been an important and necessary source of revenue for the operation of public schools on the Blackfeet Indian Reservation.

In the State of Montana public schools may use P.L. 874 funds in any tax supported budget excepting the bus depreciation reserve fund, the debt service fund, and the building reserve fund. An unique Montana law permits the use of P.L. 874 funds in the school food services fund even though it is a cash fund and not a budgeted fund. The purpose of the law is to enable school trustees to use P.L. 874 funds to provide free meals for federally connected, indigent pupils when the pupils are declared eligible for free lunches.

The law was passed primarily for the benefit of eligible Indian pupils.

For the current school year of 1976-1977, the anticipated revenues for all elementary and high school budgets for School District #9 are 5.6% local, 52.8% state, and 41.6% federal or impact aid funds. The revenues are exclusive of federal funds available for supplemental programs such as Johnson-O'Malley, Indian Education Act, Title I -- ESEA, etc.

For the State of Montana the percents of revenues from federal sources for public elementary and secondary schools were 6.3% for 1961-62, 5.7% for 1969-70, and 6.1% for 1975-76.

SECTION IV

CONCERNS ABOUT P. L. 874 FUNDS

In my judgement, the State of Montana has a school finance system which has improved tremendously since the school foundation program concept was adopted in 1948. The financing of the General Fund budget for maintenance and operation has an equalization factor at the County level and State level. For the school year of 1975-76, approximately 61.2% of the revenues for Montana Public Elementary and Secondary schools were contributed from state sources. From 1961 to 1974, the average each year was approximately 28%.

However, the system continues to have a heavy reliance on property taxes and this is a serious problem for a school district on an Indian reservation which has a low tax base. P.L. 874 funds are used for basic support by public schools and the funds alleviate a serious problem when they are sufficient and timely.

During the current school year of 1976-1977, the funds to School District #9 arrived late and as a result it was necessary to register warrants in the amount of $325,000.00 and pay 6% interest.

Public Law 93-380, Title III, provided that handicapped Impact Aid children will receive an extra payment of 50% if the school district is providing specified special education benefits. The U. S. Office of Education ruled that handicapped children and children with specific learning disabilities who reside on Indian lands were ineligible under the provisions of section 3(d) (2) (C) of P.L. 81-874. The Chinle Common School District filed a lawsuit contesting the ruling and on October 19, 1976, a ruling was handed down by the U. S. District Court for the District of Columbia which held that the children were eligible. The Department of H.E.W. filed a notice of appeal but withdrew it last month.

Also, under the provisions of Title III, P.L. 93-380, states are authorized to count Impact Aid funds as local resources under state equalization or foundation programs if such programs meet criteria established by regulations of the U. S. Commissioner of Education. If Montana is placed in this category under the present foundation program, the results would be disasterous for school districts on Indian reservations. Undoubtedly, Impact Aid funds would be insufficient to be used in the permissive area and/or voted area above the foundation program and the school district could not raise the funds locally which are required to adequately pay for a basic educational program.

School trustees have complete control of the use of Impact Aid funds in the school districts and generally Indian people are not elected to school boards. Therefore, Impact Aid funds generated because of Indian reservations or Indian people are not necessarily used to finance programs designed to meet the educational needs of Indian students.

Certain opinions rendered by the Montana Attorney General seemingly subvert the intent of use of P.L. 874 funds by Montana school districts. One Attorney General opinion has resulted in a cumbersome and complicated procedure including a special election to use Impact Aid funds for basic support.

SECTION V.

RECOMMENDATIONS FOR P.L. 874

A. The federal government must recognize the diversity of school finance programs among the states and adopt flexible regulations which will allow maximum use of the funds for the benefit of Indian children attending public schools on Indian reservations.

B. Criteria should be established which will provide for greater per pupil entitlement for school districts on reservations. Factors which could be considered but not limited to are ratio of Indian students to total enrollment, number of Indian students, taxable valuation per pupil, state accreditation reports, ratio of non-taxable Indian land to taxable land; fiscal effort, and need.

C. To facilitate effective planning and efficient fiscal management, Public Law 874 should have a minimum three year authorization; should be appropriated one year in advance; and must be timely distributed.

D. P.L. 874 application procedures should be simplified and bureaucratic red tape reduced. Indian's parents and guardians are ready to revolt against the paper blizzard to which they are subjected.

E. The U. S. Office of Education should adopt a policy of serving as an advocate for Indian people and not continue in an advisory role. I refer to the incident of extra payment for handicapped Impact Aid children who reside on Indian land.

F. If a state is authorized to count Impact Aid funds as local resources under state equalization or foundation programs, school districts in the state which are on Indian reservations should be exempt unless the governing tribal authorities agree.

G. In order to give Indian people control over or input into the use of Impact Aid funds which are granted to school districts on Indian reservations, the funds should be channeled through an appropriate Indian group or agency which will be determined by the Indian people.

H. Opinions rendered by the Montana Attorney General should be reviewed in light of their effect on the use of Impact Aid funds by Montana school districts and a determination should be made if they follow the intent of P.L. 874

Also, the procedure required by Montana in order to budget P.L. 874 funds should be reviewed.

If the opinions and procedure are valid, then exceptions should be made for school districts on Indian reservations which meet certain criteria such as high impact of Indian students, ratios on Indian land, taxable valuation; as outlined in item B.

SECTION VI.

OTHER FEDERALLY FUNDED PROGRAMS

A. Johnson-O'Malley Act Funds

Prior to the 1958-59 school year, Montana school districts which had a high proportion of tax exempt Indian lands received Johnson-O'Malley Act funds for basic support because the low taxable valuations did not generate sufficient funds. This was a bad situation in that Johnson-O'Malley Act funds which are for Indian education were in some cases benefiting more non-Indian students than Indian students.

After P.L. 874 funds replaced Johnson-O'Malley funds for basic support, Johnson-O'Malley funds were reduced and used primarily to pay for school lunches of eligible Indian students. The criteria were unrealistic during the 1960's in that the student had to be 1/4 degree Indian or more and reside on Indian land. Many families moved to towns for school and the children were declared ineligible for Johnson-O'Malley benefits.

During the period of 1969-1973, I administered Johnson-O'Malley funds for Montana which were contracted by the Office of Superintendent of Public Instruction. During this time, the funds increased from $300,000 to $1,000,000 for Montana and funded a variety of supplemental programs for Indian students.

B. Elementary and Secondary Education Act, Title I.

In 1965 federal funds were made available to school districts having high concentrations of low income families so that special programs might be offered for all classes of disadvantaged pupils in attendance, including disadvantaged Indian pupils.

Montana state education officials convinced U. S. Office of Education to change the funding formula for our state since Montana did not have "pockets of poverty". Under the special formula for Montana, the state received a Title I allocation based on low-income factors, the allocation was distributed to counties on the basis of low-income factors, and the funds were then distributed to school districts on the basis of pupil population. Therefore, in many cases, the bulk of the funds went to school districts which were in the same county but were not situated on Indian reservations.

I called this inequity to the attention of the Supt. of Public Instruction but she was reluctant to change the formula for political reasons.

A group of Indian people were in the process of bringing a lawsuit against the state when the formula was corrected in 1973.

Also, the U. S. Office of Education allowed Montana a special allowance for administration because of the land area and sparce population. The special consideration allowed Montana $150,000.00 or approximately $1.00 per square mile for administration of Title 1. I raised several questions about the use of these administrative funds.

Certainly, we had no guarantee that Title I funds would be used to fund programs to meet the special educational needs of Indian students.

C. Indian Education Act

This Act provides federal financial aid to public school systems as well as to Indian community schools on or near reservations and to Indian tribes and organizations as well as to state and local educational agencies. Also, the Act establishes an Office of Indian Education in the U. S. Office of Education and a National Advisory Council on Indian Education.

The funds are supplemental and cannot supplant regular sources of funding. An exception is made under the 10% set-aside provision for non-LEA's in Part A.

SECTION VII.

RECOMMENDATIONS FOR OTHER FEDERALLY FUNDED PROGRAMS

A. Categorical federal programs for Indian education are needed and should be retained.

B. Johnson-O'Malley funds should be available for basic support for Indian education in these states which have inadequate school foundation programs.

C. A task force should be organized to draft appropriate criteria which will permit use of Johnson-O'Malley funds for basic support and safeguard the proper use of these funds.

D. In states which do not need funds for basic support, Johnson-O'Malley funds should continue to be available for supplementary programs.

E. Public schools should not be allowed the perogative of accepting or rejecting federal funds for Indian education.

F. I have questions about changing the concept of Johnson-O'Malley funds from a needs basis to an entitlement basis. Perhaps a systematic, in-depth review of this change is in order at this time.

G. The Blackfeet Community Free School was granted $112,000.00 of Part A set-aside funds of the Indian Education fund. The set-aside funds can be used for basic support and should be continued for the time being.

H. E.S.E.A. Title I funds are supplemental and the program should continue.

I. The programs do require more coordination of the federal, state and local levels.

J. Meaningful, effective Indian control must be built into the programs.

K. To facilitate effective planning and efficient fiscal management, the federal government should provide for a minimum three-year authorization and funds should be appropriated one year in advance and should be timely distributed.

SECTION VIII.

CONCLUSIONS

Generally, public schools have made virtually no attempt to establish communication with Indian parents and other relatives, let alone to give them any advisory role or adopt curricule and methods to their culture. Generally, Indian people have not had an opportunity to exert influence through local school boards and advisory committees. As a group they are less experienced in discussing and deciding educational issues than are non-Indians. Indian people must be involved in the procedures which will insure the educational needs of their children will be met. Indian influence must be brought into Indian education.

The U. S. Congress must keep this in mind when drafting legislation pertaining to Indian education and insure the intent of the legislation will be implemented.

Adequate funds for a basic education program for Indian children are a necessity. Congress must recognize that at the present time the fifty states differ greatly in the kinds of financial support for public education and must take these differences into account through federal legislation for Indian education. In my judoement, the federal government has the legal obligation for education of federally recognized Indians and must respond to that obligation.

Indian control and self-determination in public education depends upon Indian control of the funds.

Section IX

APPENDIX

(a) School District No. 9 ......High School

(b) School District No. 9 ......Elementary

(c) School Enrollments - 1976 - 1977

(d) School District No 9 - Employment Information

(e) P.L. 874 Payments 1976-1977

(f) Anticipated Revenues 1976-1977

(g) Taxable Valuations 1971-1976

(h) Revenues of Public Elementary and Secondary Schools From Federal Sources

(i) State Share of State/local/other Revenues for Public Elementary and Secondary Schools

(j) School District No. 9 - Johnson-O'Malley & Indian Education Act Programs

(k) Opinions of the Montana Attorney General

(l) Personal Resume

[Appendices on File With Subcommittee.]

STATEMENT OF EARL BARLOW, SUPERINTENDENT OF SCHOOLS, BROWNING, MONT.

Mr. Barlow. Thank you, Mr. Chairman.

I have submitted my written testimony.

Mr. Barlow. At this time I would like to thank the subcommittee for conducting this hearing.

I guess if anyone is going to lead us out of this morass of Indian education, it will have to be the Congress of the United States.

I would like to discuss a little bit the history of education as it pertains to American Indians and perhaps by having a little understanding of the history we will have some better understanding on which direction we should go.

I think any objective analysis of the history of the education of Indians by any standards reads like a litany of shame. I have attempted to determine how the obligation for the education of American Indians shifted from the Federal to the State. Serendipity on purpose; we don't know. As nearly as we can ascertain, the reasons read something like this:

Education is an obligation of the State, because the Constitution of the United States does not address the issue, and all of the lands in the United States are organized into States. In the enabling acts and in the State Constitution, the State undertook the obligation of public education.

In 1924 the Indian Citizenship Act was passed, which decreed all Indians in the United States were citizens of the United States. Also the rights of American Indians under the Fourteenth Amendment have been cited, and for these three reasons generally, it has been decided and concluded that education is a responsibility of the State.

However, reviewing the history again, the Federal Government has been involved in a number of ways in not only Indian education but education in general.

Montana became a State in 1889, and one of the first legislative acts in our State was to create school districts. Later on the Legislature came back and decided to include reservation lands, and assigned this responsibility to the county superintendents.

In the research that I have done, I fail to come up with any involvement of Indian people in this. I think this is generally true as we go down through the history of Indian education; the lack of Indian involvement, the lack of Indian participation, and I think this is one thing we are missing.

I think one of the things we need is an overall national policy on Indian education. The policy in the past on the part of the Federal Government for the Indian has been one of a acculturation, assimilation or isolation.

Yesterday we talked at great length and I heard a lot of comments about the delivery system of Indian education. I submit that in my judgment this is not the basic consideration. The quality is the basic consideration. We have public schools serving Indian children, private schools, contract schools, and Bureau schools.

The statistics are different depending upon whose set of statistics you read.

I think we have about 325,000 school aged Indian children, about 48,000 of whom are in BIA schools on reservation; 90,000 are in private schools; 225,000 are in public schools and about 12,000 are not enrolled in any school.

I think one of the things that we have to agree upon is philosophy of the public education, and I think so far as the Indian people are concerned, public education is a right that we have. I think that too many public school districts construe public education as being a privilege and not a right.

In my study of public education in the United States, I have never come to the conclusion that the ability to pay or whether or not you are a taxpayer is a consideration in our right to a public education. However, when it comes to Indian education, we are constantly confronted with this; Indians do not pay taxes, Indians do not share their rightful burden. I do not think this is a consideration. In the State of Montana, through necessity, the Indian people have taken a parallel thrust to improve the educational conditions of our children. We are hopefully working through the Federal and through the State.

Montana is the only State in the Union, to my knowledge, that addresses the issue of Indian education in its State Constitution. This came about in 1972 when our State rewrote the Constitution and in there is a clause that states that the State recognizes the distinction and unique cultural heritage of American Indians and is committed in its educational goal to the preservation of our cultural integrity.

Leaning on that clause in the Constitution, we have been successful in getting some laws through the State Legislature that are helpful to our cause of Indian education. We note there is a cooling off; there seems to be a backlash this last session of legislation, and we were not too successful.

The thing we are saying out in Montana is we, the Indian people, have got to learn the system better than non-Indians, and I think to a certain extent we have been successful. We are fortunate out in Montana in that I recently was elected chairman of the State Board of Public Education, which is certainly a key role in the education out in Montana.

I think again we have had about 400 years of failure generally, because of the failure of the Federal and States to develop and implement a meaningful policy for Indian education. I think Indian education should be a process which prepares Indian youth to make decisions in his own best interest. If he chooses to go the non-Indian way, he is prepared; if he chooses to go the traditional way he is prepared for that, or any point in between.

I think the American Indian Policy Review Commission Task Force 5, which I served on, came up with some meaningful recommendations that I hope you are aware of. Basically, in addition to the whole question of basic support for education, which is necessary for Indian children, there must be Indian control, there must be tribal control. There has to be a central coordination of all of the various agencies that are involved in Indian education. There is a lack of coordination which results in waste, and we think there is no communication between all of the various agencies in the State and this is a necessity.

As Indian people, we are not adverse to advisory committees. We think they are necessary; we think they are needed. We would rather have committees that actually were in control, but recognizing the polical situations on the reservations and off reservations, that perhaps at this time the best way is through advisory committees. I think one of the things we need is a national Indian education equalization plan which ensures Indian control of the funds.

The State of Montana has a fine program that is improving. We think it's one of the better ones of the States, and we in Montana do not use Johnson-O'Malley funds for basic support. We use them in supplementary areas, and I think Indian people nationwide are going to have to recognize that if the needs of Indian children in another State are greater than they are in Montana, then I think we are willing to recognize this and give up some of these funds to those children.

The tax structure on Indian Reservations in Montana is in a state of flux. Our reservation covers about 2,500 square miles, about one-third of that land is owned by the tribe, one-third is in trust and one-third is not in trust status.

The Blackfeet Tribe in Glacier County is one of the largest taxpayers basically because of the net proceeds tax on our oil and gas royalties. The property tax question is, as most of you are aware, one that is in a state of flux.

I would also question the change of the Johnson-O'Malley formula from a needs concept to an entitlement concept. I administered a Johnson-O'Malley program in Montana for several years, and thought we were quite successful in determining the needs for JOM funds to the children on the basis of need rather than entitlement.

I think one of the areas we are going to have to look at is the funding picture for school construction. In most States, the school construction is basically from property tax, bond issues, and on reservations in Montana where we have a very low tax base we have been unable to build the buildings that we need, and consequently are forced to use basic support funds for school construction. Naturally, this detracts and takes away from the basic program that we are trying to offer our children.

As I said, I think I covered most of my basic recommendations in my testimony.

Thank you, Mr. Chairman.

Mr. BLOUIN. Thank you, Mr. Barlow.

I think that concludes this panel's opening statements.

I have a few questions and then I will yield to other Members.

First, Mr. Rabenberg, what do you feel the balance of responsibility ought to be between State and Federal Governments, not strictly for South Dakota but generally in terms of Indian education?

Mr. RABENBERG. Sir, what I was hoping there could be determined by a formula. I would say if you could go back to your State costs—and we heard something yesterday about a weighted factor—then deleting all of those allowances because of or in lieu of whatever the case happens to be, and then a proportionate share of that, what that formula base would be on qualifying criteria for a formula, it would be a percentage of that difference.

Mr. BLOUIN. In your opinion, who should carry the greatest responsibility?

Mr. RABENBERG. I would have to admit the State.

Mr. BLOUIN. You would say the state?

Mr. RABENBERG. Yes, sir.

Mr. BLOUIN. How does the State of South Dakota, specifically, view the responsibility in educating Indians?

Mr. RABENBERG. As far as speaking directly to the Indian problem, I don't feel they have. I think as close as we have come to it in the funding is under our foundation program and the equalization portion thereof. Where your poorer districts basically, one like ourselves, do receive a considerable amount more State aid than would a comparable number of students say on, I guess the easy example would be if our land is worth $100 an acre whereas in another district where it's worth $800, where that tax ability is there.

Now, yesterday I know the committee heard testimony to the position that we do not have any type of equalizatin or foundation program. That is erroneous. We do have.

Mr. **Blouin**. Could you explain it briefly?

Mr. **Rabenberg**. In its entirety, no, but it's based back onto your equalization abilities to pay, and your cost per student, your classroom units and this type of thing. I am not sure if these men can go back 27 pages of the formula or not from memory

Mr. **Fields**. If we were correct on the formula, they would change it probably.

Mr. **Rabenberg**. Sir, I think our biggest problem is the amount of money in our formula. I think we could all live with that formula.

Mr. **Fields**. Yes, sir.

Mr. **Blouin**. The State doesn't put enough dollars in the formula across the board?

Mr. **Rabenberg**. The commitment is not there.

Mr. **Blouin**. Okay, what is the State's attitude or opinion, better put, concerning the purpose of JOM and 874 in separate programs?

Mr. **Rabenberg**. I am not sure I have ever heard it so stated from the State level. Maybe one of my friends from South Dakota here has heard it; I have not, but I have talked with various individuals about this, and they have no qualms with the basic support and the specials. I mean, they do not have any quarrel with it.

Mr. **Blouin**. Okay. Mr. Barlow, could I ask you what you think the responsibility between Federal and State ought to be in terms of Indian education?

Mr. **Barlow**. I think the basic, in my judgment, at least, the basic legal responsibility for Indian education lies with the Federal Government, and I think that the Federal Government has negated this role and I think consequently it has left us in a real state of confusion.

Mr. **Blouin**. All right. If you could mold a program any way you wanted from the Federal level to respond to that mess, how would you do it?

Mr. **Barlow**. The name of the game is money, and I think this is where the Federal Government has really not assumed its responsibility. I would think that the Federal Government would at this stage, through recognized Indians living on reservations, and I don't think it's any difficult matter to come up with a formula, a funding formula that perhaps it could even be designed to phase out over a number of years, but to take care of the current pressing needs, 10, 15 years I think would be very helpful.

Mr. **Blouin**. You are talking about a formula that would fund 100 percent of the cost of the education, or 100 percent of the cost over the normal per pupil average of the State plus a percent below, or what kind of formula?

Mr. **Barlow**. I think you could build in some factors that would take into account available resources, but I think the Federal Government should guarantee a basic support level, and I think you could sit down with the States and agree, okay, here's the situation in Montana.

The big problem, as I see it, when we come before a committee—naturally I am going to speak from the standpoint of Montana, you hear South Dakota, and Arizona—there is much a diversity of funding, I think the Federal Government should come in with some sort of levying influence to bring all of the States that have federally recognized children and Indian reservations up to a basic level, and if in the State of Montana it works out we have resources available and will not necessarily give us the same number of per pupil Federal dollars as South Dakota, that is fine. This is the national equalization concept that I am talking about.

Mr. BLOUIN. Should those dollars necessarily be tied to some kind of a mandated commitment by the State financially to attract them? Should there be a percentage drawn?

Mr. BARLOW. I think it could be worked in that over a period of years this would happen. We have often said this in Indian education, the future is not dark, the present is. It's the present situation where we are desperate and I think what you are suggesting is certainly possible.

More importantly, I think what we have to build into it is this concept of Indian control. I think this is the only way it will ever improve. I think for too long the Indian people have had things done for them; I think they have had things done to them, all on a very altruistic plane, and I don't question the motives here. I think, however, until the Indian people are given the resonsibility, things are not going to improve too much. Nobody really cares about us as much as we do, but we are lacking the know-how, we are lacking the funds, and this is what we need.

Mr. BLOUIN. Would you say that control should also extend to dollars to tribes to support schools on the periphery of the reservation, based on Indian population in the school?

Mr. BARLOW. Yes, I would certainly say this. However, this is where we must really build in the control factor, because the track record of these schools is not good. They are very eager and anxious to accept Federal dollars for Indian education until they find out that they are responsible for fulfilling certain commitments. One of the things we are greatly concerned about in the State of Montana is the number of public schools who are arbitrarily refusing Johnson-O'Malley funds, Title IV Indian Education Act funds or even ESEA Title I funds if they find out they are going for Indians and their basic premise is that these funds are discriminatory. They are un-American.

Mr. BLOUIN. Can we get a list, do you know which schools are refusing?

Mr. BARLOW. Yes, I do.

Mr. BLOUIN. Can you supply the subcommittee with that list?

Mr. BARLOW. We have notified the U. S. Office of Civil Rights; we have been told they are eager to tackle these kinds of problems, but we haven't gotten any response.

Yes, we do know that.

Mr. BLOUIN. If you can get us a list this maybe we will develop some response.

Mr. BARLOW. Be very happy to. In fact, one of my recommendations is, as high-handed as it seems, I think it's a violation of our civil rights to have public school districts arbitrarily determine whether or not they will accept these funds.

Mr. BLOUIN. What is the basis for some of the rejections they are giving?

Mr. BARLOW. It gives Indians preferential treatment; it gives Indians too much voice in their schools. It is giving Indians something for nothing; it's removing the responsibility for the education of the child from the Indian parents, any number of reasons. Basically, it's a very racist attitude.

Mr. BLOUIN. What are Mr. Rabenberg and Mr. Fields' responses on that?

Mr. RABENBERG. I guess the only response I would have, sir, is I do not know of any schools in the eastern half of the State that have refused or even are contemplating refusal of these type funds. I can't answer.

Mr. FIELDS. I have no knowledge of any refusal.

Mr. BLOUIN. Do you agree with the assessment or the suggestions of Mr. Barlow about the need for a formula, a Federal funded formula?

Mr. RABENBERG. For a Federal formula, no, sir, I do not agree with a total formula, because I guess I have too much memory of what Congress has done in the past to these type fundings. This year it's 100 percent, naturally. Next year we get 60 percent of 90 percent; then we get 37 percent of 67 percent, and I guess what I am saying, the appropriations do not keep up with the good intentions of Congress, and therefore, I guess one of the hardest things I have explaining to our community and our taxpayers is you are getting an increase in this particular program, and our Congressmen make these big splashes in the papers back home, but in the fine print it says you will get 70 percent of 90 percent of last year's entitlement, which was based on your needs two years previous.

Mr. BLOUIN. So you would rather not have Federal moneys?

Mr. RABENBERG. No, sir.

Mr. BLOUIN. Does that go for JOM basic as well? That is Federal money.

Mr. RABENBERG. We were perfectly content with the State formula that was developed under basic and special support.

Mr. BLOUIN. Stop right there. Just for the sake of discussion, let's say all the Indians left all of the schools, or the school in your area, in June, and didn't come back in September. The Federal dollars you get wouldn't come any more because you wouldn't have impact aid or JOM or what is left of it, and so on. What would happen to your taxpayers as a result of that?

Mr. RABENBERG. Locally you mean their ability to raise more? They couldn't. Locally in our particular case—and I am sure this isn't the case across the State—but in our case our local taxpayers have been at their maximum for the past seven years.

Mr. Blouin. All of your taxpayers across the board?

Mr. RABENBERG. No, not all of our taxpayers.

Mr. BLOUIN. If the information we have gotten from the Library of Congress is correct, your utilities are underassessed substantially compared to your rural and urban property, your rural property is assessed considerably higher than your urban property.

Mr. RABENBERG. That is right.

Mr. BLOUIN. Then you haven't exceeded your limits, because of the under taxation of your utilities.

Mr. RABENBERG. Within the limits of the people in our districts; they have met what they can do. What the county commissions and what the State Legislature will do, I guess is like what the body of

Congress will do. We can bring pressure to bear, but we can't force them.

Mr. Blouin. The fact is though, they haven't hit their effective millage limit or assessment limit in terms of an equity from one segment of taxpayers to another.

Mr. Rabenberg. I was under the impression, sir, our utilities were being taxed at 100 percent. I won't argue you this point, but that was my idea.

Mr. Blouin. I would like, for the record, to submit this research paper from the Library of Congress which attempts to analyze the fiscal status of the school district in Sisseton. We will be more than happy to supply you with a copy of it for your response.

[The information referred to follows:]

THE LIBRARY OF CONGRESS

Congressional Research Service

WASHINGTON, D.C. 20540

May 6, 1977

TO: Education and Labor Committee (Minority)
Attention: Chris Cross

FROM: Education and Public Welfare Division

SUBJECT: The Fiscal States of the School District in Sisseton, South Dakota

This report is divided into three sections. The first is a response to some of the contentions in the material submitted to Congressional staff members during a recent field visit. The second is an analysis of expenditure and revenue patterns for Sisseton and other South Dakota school districts. The third consists of a short summary statement on the issue.

Response to the Packet of Materials

During a recent field visit to South Dakota, the Sisseton superintendent of schools provided the staff with a packet of materials concerning the fiscal plight of the school district. After analyzing the materials and securing additional information from sources in the South Dakota Department of Education, the following statements are provided for clarification to bring about better understanding of the contentions of the superintendent.

1. No effort was made to examine the detailed budget in terms of its adequacy to support the educational program or the cost-effectiveness of the school operation.

2. [redacted]. The maximum millages rates are 24 for agricultural property and 40 for non-agricultural property. Table 1 contains detailed information for millage rates and State assessment indices for Sisseton for the years 1969-70 through 1976-77.

TABLE 1 -- Property Tax Millage Rates and Assessment Indices for Sisseton, South Dakota, 1970-77

Year	Millage Rates		Assessment Indices		
	Agric.	Non-Agric.	Rural	Urban	Utilities
1970-71	23.18	38.36	.877	.854	
1971-72	24	40	.938	.899	.964
1972-73	24	40	.973	.853	.964
1973-74	24	40	.981	.905	.965
1974-75	24	40	.963	.917	1.004
1975-76	24	40	1.192*	.924*	.704*
1976-77	23.21	38.42	1.385*	.959	.700*

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*The method of computing the index was changed by the State during these years to use the State average for all property in computing the index instead of by category as had been the case previously.

[redacted]

An effective tax rate for the district was computed by dividing the actual tax rate by the assessment index so that comparisons would be appropriate on a Statewide basis. In 1970-71, the effective tax rate was 26.43 mills for rural/agricultural property and 44.91 for urban/non-agricultural property. In 1976-77 the effective tax rate was 16.75 mills for rural/agricultural property and 40.06 mills for urban/non-agricultural property excluding utilities from the calculation. This calculation of effective tax rate will not be accepted by all persons, but does indicate the possibility of a decline in real tax effort over a period of years. (One weakness in the process is that the utilities assessments have been excluded from the non-agricultural indices.)

3. The letter of March 16, 1977, to Chris Cross refers to the 233 Indian pupils not living on trust lands as having parents who are employed on non-taxable property. These pupils are in essence in the same status as other pupils in the community; some may have parents who are potential taxpayers and others may not as with other pupils in the

[redacted] If those Indian pupils merit consideration as "A" pupils, it would appear that the same position could be advocated for the existing "B" pupils who are Indians.

4. [redacted]. [redacted]

5. [redacted]. [redacted]

fed appe
> local appe

6. [redacted]

[redacted]

Analysis of Expenditures and Revenues

[redacted] For that reason the pattern for Sisseton, S.D., has been compared with a selected sample of other districts in the State with 3a2 Indian pupils as defined under SAFA "Impact Aid" programs. (In the following discussion all computations have used the number of eligible 3a2 Indian pupils from the FY 76 SAFA data as of October 4, 1976, as the number of Indian pupils.)

In the selection of the sample school districts, no effort was made to select districts in a similar property wealth category because of the complexity of the South Dakota State aid program and variances in assessment practices which exist when property is assessed locally. Even though local wealth per pupil was not used to select the sample, [redacted] Two of the sample districts received no State equalization funds and one received less than $100 per pupil.

[redacted] according to the Educational Statistics Digest published by the State; data in the report are from official local district reports submitted to the State. Using the first FY 76 complete report of SAFA districts from the USOE, [redacted].

[redacted] These data are shown in Column 7; among the 10 sample districts, [redacted]

After reviewing Sisseton's wealth and effort, [redacted] The reported Federal revenues in six sample school districts are shown in Table 3.

(The composition of the sample is not similar to the larger sample but was used because of the availability of more basic data for these six districts.)

[redacted] Data for the other districts are shown in Table 2.

Using data contained in a draft of a Bureau of Indian Affairs memorandum dated 1/25/77, the [redacted] to each of the sample districts in Table 3 were identified. [redacted] One district had virtually as many 3a2 Indian pupils as the total enrollment of Sisseton. [redacted] more State equalization aid per pupil than Sisseton, the Johnson-O'Malley allocation per Indian pupil for Sisseton was five times the allocation per pupil to Todd County.

[redacted]

During the 1975-76 school year, the official report filed by the Sisseton school district with the South Dakota Department of Education indicates that the district was receiving State equalization funds at a level suggesting low wealth per pupil, but the data also indicate that the district was raising less funds per pupil from local sources than all of the sample districts except one.

The district was receiving a wide variety of Federal funds as evidenced by the receipt of funds for "Adult Basic Education" and the "National Defense Education Act;" Sisseton was the only district in the sample receiving funds from both of these sources. In addition to these funds, of particular interest is the amount of funds per Indian pupil received under the category "Indian Education: Operation and Maintenance," — $1,220 per Indian pupil; this compares with the $336 per Indian pupil received in Todd County in the same category. Even if the "miscellaneous" Federal receipts for Todd were merged with the Indian Education: Operation and Maintenance," the amount would be only $743. The merger of the two receipts in Waubay would net $596 per Indian pupil.

The data suggest that in 1975-76 Sisseton was receiving more Federal funds per Indian pupil than the other districts in the sample, that Sisseton was raising less local revenue per non-Indian pupil than all of the sample districts except one, and that Sisseton's effective tax rate had declined from 1970-71 to 1976-77.

The foregoing statements do not discredit the contention that the Sisseton school district is facing a fiscal crisis. The phase out of Johnson-O'Malley funds does result in the loss of a significant amount of revenue, but the district does appear to have been in a favored position in the allocation of these funds. (The base year used in these comparisons was the last year that the Johnson-O'Malley funds were at the full funding level.) The situation in this district is not unique, for local school districts throughout the Nation are facing similar crises, but the great majority do not have the possibility of special Federal relief to provide continued funding at the level to which they have become accustomed.

A basic problem is that the South Dakota school support program does not provide a high level of funding per pupil through the State equalization program. The State flat grant funds go to all school districts with the variation in funds per pupil based on enrollment and related factors rather than the incidence of local wealth per pupil.

If further information or clarification should be needed, please feel free to contact us.

K. Forbis Jordan
David Osman

TABLE 2 -- [redacted] and [redacted] for 1975-76 in Selected [redacted]

School District	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Andes Central	544	101	19	$1,235	$1,242	$ 498	$ 612	$247	$24	$80
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Waubay	429	100	23	1,252	1,535	507	661	219	40	82
East Charles Mix	947	125	13	1,131	1,244	454	523	204	34	78
Lyman	777	133	17	1,198	1,146	795	959	---	35	81
West River	585	127	22	1,300	1,520	895	1,143	88	30	91
Bennett County	276	64	23	1,557	1,509	1,062	1,376	---	--	94
Todd County	1,757	1,255	71	1,327	1,876	205	718	292	30	78
Shannon County	1,742	1,494	86	1,399	1,333	94	660	282	19	71
Eagle Butte	808	476	59	974	998	205	499	213	12	67

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(1) ADM in the school district
(2) Number of 3a2 Indian pupils from SAFA records
(3) Percent Indians in ADM for the district
(4) Expenditures per pupil from SAFA records
(5) Expenditures per pupil*
(6) Local revenues per pupil*
(7) Local revenues per non-Indian pupil*
(8) State equalization aid per pupil*
(9) State transportation aid per pupil*
(10) State flat grant aid per pupil*

*Data taken from or computed from Educational Statistics Digest, South Dakota Department of Education and Cultural Affairs, Division of Elementary and Secondary Education, 1975-76, Research Bulletin 3.4-5.

TABLE 3 -- Federal Revenues for 1975-76 in Selected South Dakota School Districts

		[redacted]	West River	Smee	White River	Todd County	Waubay
		General Fund	General Fund	General Fund	General Fund	General Fund	General Fund
40.	FEDERAL SOURCES	$725,664.12	$210,699.53	$222,142.53	$187,337.92	$2,011,176.66	$165,003.99
40.11	Buildings, Federal (P.L. 815)						
40.12	Public Law 874, Oper & main	227,132.00	68,222.00	110,293.54	127,310.61	807,880.76	57,669.84
40.19	Miscellaneous	6,933.84	19,651.29				-0-
40.22	National forest lands						-0-
40.23	Flood control						1,518.35
40.29	Miscellaneous	455.66					-0-
40.311	Indian education: Oper & main	379,595.90	35,000.00	71,679.74	25,910.37	422,535.29	47,586.97
40.312	Indian education: Transportation						-0-
40.32	Vocational education	8,595.40	1,741.08			39,832.12	1,884.06
40.33	National defense education act	2,566.65			263.28		4,900.19
40.35	Adult basic education	4,500.00				124.48	-0-
40.361	Elem & Sec. Educ. Act, Title I	90,559.55	72,756.77	26,335.26	32,774.51	225,121.28	38,629.80
40.362	Elem & Sec. Educ. Act, Title II	5,325.12	1,149.00	129.00	679.15	3,697.79	742.00
40.363	Elem & Sec. Educ. Act, Title III		1,248.81	90.45			-0-
40.365	Elem & Sec. Educ. Act, Title V			13,614.54			-0-
40.366	Elem & Sec. Educ. Act, Title VI						-0-
40.37	National mineral lands		8,735.44				-0-
40.38	Taylor grazing lands		1,602.14				-0-
40.39	Miscellaneous		593.00		400.00	511,984.94	12,072.78
	Federal Funds P/P	[redacted]	560	1,157	424	1,145	383
	Federal Funds for Federal Lands and Indian Programs per Indian Pupil	[redacted]	1,054	1,096	844	1,388	1,185
	Johnson-O'Malley Basic Operational Funds per Indian Pupil	[redacted]	393	391	274	231	640

SOURCE: Official Reports filed by the LEA's with South Dakota Department of Education.

The Library of Congress
Congressional Research Service
Washington, D.C. 20540

May 18, 1977

TO: Education and Labor Committee (Minority)
Attention: Chris Cross

FROM: Education and Public Welfare Division

SUBJECT: Addendum to May 6, 1977, memo entitled "The Fiscal Status of the School District in Sisseton, South Dakota"

In the May 18, 1977, hearing of the Select Subcommittee on Indian Education of the Education and Labor Committee, portions of the testimony related to the number of pupils of Indian descent in the school district as compared with the number of eligible pupils for purposes of Section 3(a)(2) of P.L. 874 (pupils residing on Indian lands). [redacted]" So that the original memo may be reviewed in terms of this category of pupils, the following addendum is presented to the original statement:

[redacted]

Federal Funds for Federal Land and Indian Programs per Pupil of "Indian Descent"	$ 995
Johnson-O'Malley Basic Operational Funds per Pupil of "Indian Descent"	596
State Aid Payments and Federal Funds for Federal Lands and Indian Programs per Pupil of "Indian Descent"	1,338
Local Revenues per Pupil not of "Indian Descent"	671

[redacted]

K. Forbis Jordan
David Osman

Mr. **Rabenberg**. Sir, does that look like it would be a major or minor portion of our funding?

Mr. **Blouin**. I really have no idea. What portion of your funding percentage is local taxes?

Mr. **Rabenberg**. Local, 38 percent.

Mr. **Blouin**. What percent is State?

Mr. **Rabenberg**. Twenty-five.

Mr. **Blouin**. What about the rest?

Mr. **Rabenberg**. Johnson-O'Malley basic has been turning 18 percent. Public Law 874 has been turning 12 percent.

Mr. **Blouin**. Thirty-seven percent is Federal funds?

Mr. **Rabenberg**. Right.

Mr. **Blouin**. In one form or another.

Mr. **Rabenberg**. Just a little bit more if we figure vocational; there is 1 or 2 percent there that goes back to the Feds.

Mr. **Blouin**. Thirty-eight percent are local; 25 percent is State. That's 63 percent. That leaves 37 percent.

Mr. **Rabenberg**. There is some miscellaneous in there, but that is close enough.

Mr. **Blouin**. OK.

Roughly of that 37 percent, that is Federal; how many of those dollars are Indian related?

Mr. **Rabenberg**. What I would have to do there is take out the 874 youngsters that are not, break down Title I, I guess, and the remaining portion would be.

Mr. **Blouin**. Eighty-five, 90, 95 percent, somewhere in that area of the 37.

Mr. **Rabenberg**. I would think that would be close.

Mr. **Blouin**. What would be the impact if the Federal moneys were to stop in Sisseton?

Mr. **Rabenberg**. Chaotic. We would have to close down, I am sure, two schools, and I don't know how we would do that. One school would close, I am certain.

Mr. **Blouin**. Your school district is dependent on the Federal dollars?

Mr. **Rabenberg**. That is right.

Mr. **Blouin**. In a very real sense. Do you think the Federal Government has a right when Federal dollars are involved to establish some accountability mechanisms on how those dollars are spent?

Mr. **Rabenberg**. I would be disappointed if they didn't.

Mr. **Blouin**. Do you think we have a right to determine what accountability is in terms of those dollars, in terms of the rest of your budget?

Mr. **Rabenberg**. In total, I think I would probably have a little bit of restriction there, but no, I am not opposed to accountability by the Federal Goverent.

Mr. **Blouin**. If we were to determine that accountability meant Indian control and equate the two in terms of spending habits of those Federal dollars, would you have any problem with that?

Mr. **Rabenberg**. If there were about 14 questions answered prior to that, I think it would help me in my thinking.

Mr. **Blouin**. Such as?

Mr. **Rabenberg**. Here I am trying to think as a school board member rather than an administrator. We have tenured people working on our staff. If we come back and let's just say we have close to 100 professional people, that 70 of these were on district funds, 30 of them were on say Federal funds or tribal run-through moneys, who would be responsible for the tenure laws of these people, who would hear the hearings?

Mr. **Blouin**. Who would be responsible for tenure laws today if the dollars stopped coming?

Mr. **Rabenberg**. The school district.

Mr. **Blouin**. You had to close up a couple of schools. It won't make much difference.

Mr. **Rabenberg**. I think the only point I am trying to make, sir, is if it comes to a game, a game isn't the right phrase, the person with the dollars is in control. Basically, going back to Mr. Barlow's statement, where he supported the national, whereas I guess I still support State responsibility, I think I would have agreed completely with Mr. Barlow three years ago, up until the time we started getting into the phase-out of Johnson-O'Malley funds and all of these good types of things.

What I read happening at that time is that the United States Congress changed their attitude from a trust responsibility to a concern for Indian people, and overnight that trust responsibility was shifted from the Federal Government back to the State, and I guess I have to be lenient with our State people, because over the years they have always kind of expected the Feds to do these kinds of things, and now all of a sudden they are going to have to gear up and it's going to take a while. All of a sudden when JOM funds and these things were being phased out—and I know this is going to upset some people—we were not even notified that there was going to be a three-year phase-out of these funds.

How, then, could the State or a school board work back down to these things or the State work up to it?

I agree with him, that there is a transition period needed in here, and probably more our State than in your State.

Mr. **Blouin**. I would agree with that. Whatever changes are made are going to take some time and require far more cooperation. Let me make sure I understand what you are saying. You have no objection to the Indian control of Indian dollars provided there are some groundrules laid in terms of some responsibilities for some of the legal actions within the school system?

Mr. **Rabenberg**. I know it would be impossible—

Mr. **Blouin**. Provided there is some stability of funding.

Mr. **Rabenberg**. Right. We are not at odds with federal law, this type of thing. The gentleman to the left is a board member who was responsible for his personal torts. The one thing that school boards need is advanced funding. They need to know the figure three or four months in advance. You get the money in October and November, you are not able to hire the people to establish the programs. Someone else hires the people you would have liked to have hired. So we need advance funding and we need to know a definite figure.

Mr. **Blouin**. Would you agree, Mr. Fields, basically with what he has been saying?

Mr. **Fields**. Certainly I do. I think a state would need to be involved in this in some respect so that one is not superceding the other, but I think basically accountability is the direction we should be going.

Mr. **Blouin**. Mr. Barlow, is this a lot different from what you believe?

Mr. **Barlow**. Not basically from what I think I hear. I guess the proof is on whether it really comes about. I think we can sit here and discuss these kinds of things and possibly think we agree on what direction we are going and when it gets to the implementation find we are on different wave lengths.

Mr. **Blouin**. Words are funny things; they carry different definitions.

Mr. **Barlow**. Right. I know when I talk about Indian control I really sincerely mean Indian control, control of curriculum, control of staffing, and the only way that comes about is if we control these dollars.

Mr. **Blouin**. But you are not necessarily excluding by any means the responsibility for that control?

Mr. **Barlow**. Definitely not.

Mr. **Blouin**. Legal responsibility, the whole bag?

Mr. **Barlow**. Basically I think that is what has been lacking, they have been denied this responsibility for some reason or other.

Mr. **Blouin**. I mentioned yesterday many of the Indian tribal councils we have talked to around the country have a real fear of total control or total self-determination because they equate it with termination. How do Indians themselves tackle that problem?

Mr. **Barlow**. I think the key is to insure adequate financing. For example, up on the Blackfeet Reservation our tribal leaders were convinced and supported the concept that they needed to be more involved in law and order. So on our reservation we took over law and order. Much to our surprise, the Bureau funds for law and order were withdrawn and today the largest expenditure of our tribal funds, which are very limited, are going for law and order.

Out of this has grown a very deep-rooted suspicion that self-determination does mean termination. Now we have Public Law 93-638. The Blackfeet Tribe has now begun contracting for Johnson-O'Malley Act funds. They were very reluctant to do so because again they said: What happened to us in law and order?

Hopefully we wrote the contract in such a way that we are protected, that it does take care of the funding, which is very important. One of the problems we have is the uncertainty of funding. I think we probably experienced more problems with federal funds than with state funds, but one of the recommendations I do make is that we do have a 3-year authorization if funds should be appropriated one year in advance and must be timely distributed.

Right now—and I submitted information on this—because of the failure of Public Law 874 funds to arrive timely in the current school year, my school district had to register $325,000 in warrants and pay 5 percent on this. The people back in D.C. tried desperately to get us the money. We took it on a national average to expedite the payment, but nonetheless it still caused us a few problems.

Mr. **Blouin**. I think we have a problem on that point in Congress. I think we tend to authorize programs for too short a period of time, which really botches up the Appropriations Committee process, which really botches up the agency's disbursement process, and especially in education with the fiscal year being off target for the school year. Year-forward funding really does not accomplish a lot if you are talking about a 1- or 2-year authorization that comes late in the year and the appropriations process is either leading the authorization or waiting to the point where schools just cannot plan. I think we have to find a way out of that. I would concur with you that we need at least a 3-year commitment on most federal funding programs so the schools really can depend on it.

Mr. **Barlow**. It would be helpful. I cannot fault the Congress. If you do not have a well-defined program to buy, you are not going to buy it. This is why I think maybe if we could come up with that grand scheme, that grand plan that we could sell to Congress, if Congress could see, okay, three or four years down the road we had better be here and we will fund it up to that point, but I think this process that we have had of vacillating and indecision, we go this way awhile and back up and go this way awhile, has been very detrimental to Indian education.

Mr. **Blouin**. You had a comment, sir?

Mr. **Warren**. I would like to answer a question concerning the West River School District in South Dakota. We appreciate the cooperation we have had from our advisory boards even into the budgeting and such as that. The one fear that we do have is that after a budget is set up and then the school board signs contracts for which they are legally responsible, the advisory board would have the power to withdraw JOM funding so that the school board then is responsible for their contracts and has no money coming in to pay for them.

In this situation the tribe and the school board should work together in a budget in setting up the budget, and then the school board should be responsible to report it to account for these monies being spent as they were budgeted, but I do not feel that a school board can operate under the threat, if you do not do this we will jerk the whole thing out from under you.

Mr. **Blouin**. One way around that particular problem in Indian education is to give Indian dollars Indian control, so it is a local jerking, if you will; it is a local struggle as opposed to federal-local. Do you understand what I am saying?

Mr. **Warren**. Yes. If they are also responsible for the contracts that were signed for that money.

Mr. **Blouin**. I would think that, judging from what you are saying, we are on the same wave length.

Mr. **Fields**. I am afraid we would have quite a quarrel with the state over this. At the present time I doubt that you could get the State of South Dakota to accept something of this nature, funds coming in without direct control one to the other. If you understand.

Mr. **Blouin**. Let me ask Mr. Barlow a question that may be a spinoff at that point. In your opinion do you think nationwide now that Indians generally would continue to use public schools if financially they did not have to?

Mr. **Barlow**. I am a little leery of labels. I think Indians will use any kind of delivery system that produces. I do not get hung up on whether they are public schools or whatever. I did participate in hearings nationwide where there seemed to be a feeling on the part of Indian people and tribal authorities that they were encouraging their young to attend public schools. We saw this in the Navajo Reservation.

It is a difficult question for me to answer. One of the things we are attempting to do——

Mr. **Blouin**. Let's put it this way. Say there were some constitutional barriers in a state, South Dakota, that prohibited the state from accepting dollars that would necessarily require dual control in the school, partially controlled by those nonelected to the school board. Let's say the situation could not be worked out. Would the Indian population then prefer, as opposed to continuing the same kind of arrangement that exists basically today, to opt for a contract school or whatever?

Mr. **Barlow**. This is part of it, and I think this is what is coming, is alternative schools, contract schools, etcetera. As the public schools continue to fail to meet the needs of Indian children, the Indian people are beginning to look around for alternatives. We have an alternative school on my reservation which I helped organize.

However, I think the Indian people, if they see there is hope, certainly would prefer public education.

Mr. **Blouin**. What would you tie hope to? The development of curriculum that has Indian influence, the development of a program generally, or an out-reach effort to attract the right type of faculty that understands the Indian culture?

Mr. **Barlow**. This is not all that difficult to accomplish. The dropout rate for Indian people is still horrendously high compared to national averages, the absenteeism, the lack of achievement. These are fairly objective things we can measure. I think basically what the Indian people are saying is we are beginning to measure these schools on the basis of what they are doing for us, and I agree with what you are saying.

Mr. **Blouin**. Mr. Rabenberg, what programs have begun a general part of the school curriculum that are there as a result of Indian-generated dollars related to new students?

Mr. **Rabenberg**. We have installed or started a complete bilingual program going all the way through the school system. It is on a voluntary basis and I would imagine we run better on an average than 400 students a year into the bilingual. We also have bicultural-type classes going all the way through.

We have developed our own Northeast history that is used, and this goes back a few years but it was with the idea that each reservation in the state would develop their own reservation history and then we could maybe get a publisher, after we had compiled all of the loose ends, to come in and then we would have a history for the State of South Dakota.

It is my understanding that our reservation is the only one in the state that has completed that portion, so that would be a step we are working towards.

Another item as the gentleman to my left has mentioned, the dropout study, truancy. We have now Indian counselors. We have what we call home-school coordinators which are Indian ladies and gentlemen who work with the principals and the counselors very closely in trying to get youngsters to school to convince them to stay in school and help them with their problems and this type of thing.

Mr. **Blouin**. Were these programs developed in conjunction with parent committees?

Mr. **Rabenberg**. Yes.

Mr. **Blouin**. What kind of input did the Indians in the area have?

Mr. **Rabenberg**. I would say total. Basically the school——

Mr. **Blouin**. You let them develop the programs?

Mr. **Rabenberg**. —write the general proposal about the funds and our advisory boards came back and said, "This is what we would like to do." It is amazing how over the years these people have shifted their goals and their objectives, seeing that it did not work this way, now we want to try it that way. My board has placed no restriction upon the administration in these types of programs, but I think the one thing we all need to remember, in 10 years now that I have been there, you can work very well with an advisory board for 9 years, then because of personalities it can go to hell in a hurry. That is why I think you need to have some kind of guide and some kind of contract program so that Mr. Warren is committed to that, so that funds can not be stopped arbitrarily. I think that is the number one concern, after we have issued contracts after we have done these good kind of things, we need a commitment to finish that year. Then, if there are things that need remediation or need to be taken to arbitration, if it cannot be worked out during the year, that is fine.

Mr. **Blouin**. Mr. Fields, on Standing Rock what kind of programs are there?

Mr. **Fields**. Basically the same Mr. Rabenberg has talked about. We have programs a little farther along in the one school in McLaughlin where we have, I think, operated part of the humanities dealing with music and arts. We do have a complete tutorial program in grades 9 through 12 where this person who is an Indian deals with the deficiencies or the failures of the Indian student.

We have a complete counseling program set up for the Indian students. This counselor works in very close relationship with the guidance person in the school. Basically about the same as Mr. Rabenberg has spoken to.

Mr. **Blouin**. Mr. Barlow, just as a followup to the kinds of programs they are talking about, how do they show up compared with other public schools with Indian populations?

Mr. **Barlow**. I would say they are certainly in line. I think the main thing we are concerned about is a good strong academic program that has interest, that is relevant to these children. I think this is the area that perhaps sometimes is overlooked.

Mr. **Blouin**. Is it possible to develop that without Indian input?

Mr. **Barlow**. I do not think so. I really do not.

Mr. **Blouin**. Are the kinds of things lacking at Sisseton the kinds of things that are lacking generally?

Mr. **Barlow**. I am not too familiar with Sisseton. I think basically what we are looking at, the basic purpose of a public school system is to transmit the culture of the dominant society. I think what has happened in the case of Indians is that the culture that has been transmitted is the Anglo culture. That might be well suited to an Anglo community but it has not worked on Indian reservations.

Mr. **Blouin**. I am going to yield to the minority staff for a couple of questions at this point.

Mr. **Bragg**. Mr. Rabenberg, when we were in Sisseton we were having trouble with the 230 or so students who are neither A nor B and yet are not on your tax rolls. I think as we divide the number of Indian students into the number of Federal dollars, it makes a significant difference whether we are dealing with the 384 or 617 eligible students. Could you help us to understand a little better who these 233 Indian students are? Have they lived there all their lives? Do their families work in town? What is the situation of those 233 Indian students such that they are neither A nor B and yet, are not on your tax rolls for some reason?

Mr. **Rabenberg**. I think all of the variables you mention you could find in students in each one of those categories. I do not need to go through the A and B. It is those youngsters who are not living on a trust piece of land or not in the housing or this type of things. Probably our area is a little different and unique. We have the trust land and the non-trust land all intermingled. It so happens that in Sisseton, which is the county seat town, for the most part that area is non-trust. We have many of our people that have moved to town over the years.

If it so happens that their parents are not employed, they cannot be counted as an A or B, or if they are not living in a housing development that is on trust, because that bottom of 874 does not include that.

Mr. **Bragg**. Are some of them living in rented housing in the county?

Mr. **Rabenberg**. I would think most of them.

Mr. **Bragg**. Theoretically some of that rented housing would be on the tax rolls?

Mr. **Rabenberg**. A very small portion of it. I think you would have to see the houses to see what kind of dollars it does develop. I heard that pitch yesterday. I do not buy it.

Mr. **Bragg**. What do you mean by "that pitch"?

Mr. **Rabenberg**. That rented property also pays its fair share of taxes. I would say rented property also pays taxes. There is no way you can get an assessed home of $3,000 to compare with a home of $35,000 when personal property is your No.1 tax. It is not that youngsters' fault, it is not the parents' fault.

Mr. **Bragg**. The analysis that Congressman Blouin referred to earlier by Congressional Research had one figure that indicates Sisseton received $1,183 per A student from Johnson-O'Malley as opposed to $640 at Waubay or $231 at Todd County. Do you feel this is correct and, if so, what would be the phenomenon that would make it possible for Sisseton to qualify for that much more than the others?

Mr. **Rabenberg**. Do you have my handout?

Mr. **Bragg**. Yes.

Mr. **Rabenberg**. If you would turn back there to, I believe it is page 10, I had our federal programs man in the state work out a sheet for 1972 through as far as we could project on state averages, systems averages, what we receive, and I think you can see the correlation. I think someone has misinterpreted through here. What we are receiving under our A's now is just short of $600. The figure you quoted is the stage average cost per student in the state. We are not receiving that from 874. We are receiving $500 approximately. This year we are getting $640 per A.

Mr. **Blouin**. I think they are referring to the allocation of Johnson-O'Malley funds to Sisseton divided by the number of A students. They did that in similar districts.

Mr. **Rabenberg**. I do not know what the reason for that might be, sir, because in my mind it would not be valid to take the A's in your total Johnson-O'Malley because you also have B's and you also have 300 that do not belong to anyone.

Mr. **Bragg**. I think what they are doing in the study is comparing districts, trying to get some constant an comparable factor, in this case A groups, and divide it into total number of Johnson-O'Malley funds.

Mr. **Rabenberg**. I see no correlation.

Mr. **Bragg**. Then, taking the federal dollars that you indicated here for 1976-77, they come out to over $600,000, as I recall, from 874 and Johnson-O'Malley; is that correct?

Mr. **Rabenberg**. That would sound right.

Mr. Bragg. Then, dividing that by 384, we come out with something like $1564, or dividing it by 617, about 973. I think it would be something in that neighborhood; would that not be correct?

Mr. Rabenberg. I do not know. I do not have it in front of me. I will asssume it will be.

Mr. Bragg. Assuming those figures are approximately correct, that is still higher than the average per pupil cost and also higher than the state average. It would almost seem from that that the amount of federal dollars is in excess of your average costs, so it might be said from figures, that some of the federal dollars for Indians are being used to support non-Indians; would that be fallacious?

Mr. Rabenberg. I think the first thing I am reading into your analysis is that all of our 874 students are Indian descent, which is not true. For those particular youngsters we are not quarreling with the $600; we are not quarreling with the Johnson-O'Malley. What we are quarreling is our general deficit fund budget. I do not quite see what you are putting together.

Mr. Bragg. What I am trying to do is to determine the adequacy of the amount of money that is being sent by the Federal Government to support Indian students. If there is a shortage, as you indicate there is, and the Indian-attracted federal dollars is where the shortage is occurring, that is one issue. If it is occurring for some other reason, then it might not be appropriate to use federal dollars to make up the shortage.

Mr. Rabenberg. Let me see if I understand your question, then. Is there any question in your mind that 874 is in lieu of taxes?

Mr. Bragg. Why would that be significant?

Mr. Rabenberg. Because we are talking about a general fund budget. This is basically administration, heat, light, salary, all those good basic staples that no schools have control of. When we come back to these types of things we have always considered 874 to be in lieu of taxes, they go into the general fund-type operation. They are receipted in as general funds and they are also general fund expenditures.

Our district over the years for the most part has always considered JOM basically as being general fund money, as receipted into the general fund, and also as an outgo. The specials are over and above, and we have audit trails and all of those. If their schools operate differently, I do not know. We have never been questioned by the federal or the state auditors on our procedure.

Mr. Bragg. I would like to go back to when you were talking about the 874 money, you said you were hesitant to have a federal formula to take over the basic support; is that correct?

Mr. Rabenberg. With one stipulation. If it is going to be bound by Public Law 93-638, because I have been trying to testify, and I think it was two years early, that there are a lot of rocks in Public Law 93-638 that have not been turned over. This gentleman alluded to law enforcement. I am sure our tribal people have a lot of concerns under 93-638.

I guess the simplest way to try to share the concern we have is who controls the poker game. It is the man with the most chips in front of him.

Mr. **Blouin**. As I understand it, your 874 monies produce slightly less than half of the amount of local taxes. The ratio of private to trust funds is 4 to 1. If JOM fills the need, why do you need JOM when 874 does not reflect the amount of monies you are actually losing in taxes when, according to the ratios, it actually reflects what twice the loss on paper should be.

Mr. **Rabenberg**. The only stance I can take there, sir, is that our cost for this past year completed was $1354. We received some $600 from 874 in the name of A students. That leaves us roughly $700 short. If we take those allowances because of the youngsters that are involved here, even under our A student we run two to three hundred dollars short of meeting the particular cost.

Mr. **Blouin**. The cost per pupil is $1354?

Mr. **Rabenberg**. Yes.

Mr. **Blouin**. How many dollars are federally attracted via Indian presence?

Mr. **Rabenberg**. I do not have this in front of me.

Mr. **Blouin**. What is your overall budget?

Mr. **Rabenberg**. Roughly $2,200,000. We will be down to less than $2 million this year.

Mr. **Blouin**. So somewhere in the neighborhood of three-quarters of a million, about $750,000 is Indian dollars or federal dollars attracted because of Indian presence, roughly?

Mr. **Rabenberg**. All right.

Mr. **Blouin**. What is the Indian enrollment at the school?

Mr. **Rabenberg**. Six hundred-some. For Johnson-O'Malley purposes we can qualify 40 percent and overall we qualify for the 1 percent.

Mr. **Blouin**. About 600 students?

Mr. **Rabenberg**. Right.

Mr. **Blouin**. That comes out to well over $1,000 per Indian child that federal dollars are supplanting. Should our obligation then extend to your shortfall in your non-Indian per-pupil cost? I would think the Federal Government is more than adequately putting up its share of federal dollars for the Indian presence in your school. It seems to me if those figures are accurate—and I think we are probably talking somewhere in the neighborhood of close to $2300 per eligible Indian child—you add to that the state foundation formula that you have that attracts monies on a per-pupil count, add to that the local tax dollars that come as a result of Indian lands, what few dollars that there might be. It would seem to me that you would be well over the $1354 per-pupil average in terms of dollars brought into that school per Indian.

What do you get per student in state dollars?

Mr. **Rabenberg**. What do we do when these 300 youngsters that qualify for neither A or B——

Mr. **Blouin**. You do what you do with everybody else in the school, you teach them?

Mr. **Rabenberg**. That is what we are doing to the best of our ability.

Mr. **Blouin**. But that is not unique to Sisseton. Every other public school on the periphery of a reservation has to a greater or lesser extent a similar problem. If we just want to take the students you count, you are getting about $2200 per accountable student, unless I am miscounting. That 600 population figure counts both Indians on and off?

Mr. Rabenberg. I would like to go through and work out and come back with it in written form.

Mr. Blouin. I would appreciate that.

Is it right you have 600 students that are Indian, counting those 233 that do not attract impact aid?

Mr. Rabenberg. What I would like to do, if I might, is read just a portion from page 9.

Mr. Blouin. Let me finish my thought for a moment.

Is that correct?

Mr. Rabenberg. There are 617.

Mr. Blouin. Counting the 233 non-impact Indians as well as the impact aid Indians, counting every Indian in that school?

Mr. Rabinberg. Correct.

Mr. Blouin. So when I gave you that $1,200 ratio, that includes those that are——

Mr. Rabenberg. Which figure are you counting in Johnson-O'Malley?

Mr. Blouin. We agreed earlier out of your budget about 37 percent are federal dollars, almost all of which are attracted as a result of Indian presence in the school, give or take a few percent. That comes out to around three-quarters of a million dollars. I am just simply dividing 617 into $750,000, and you come out somewhere in the neighborhood of $1150 to $1200 per pupil. What I would like to know is, of the state foundation formula in South Dakota, can you divide your total student enrollment into the amount of state dollars and tell me how many dollars are attracted per pupil in your school?

Mr. Rabenberg. Not right now.

Mr. Blouin. How many dollars do you get from the state, 25 percent?

Mr. Rabenberg. Twenty-five percent.

Mr. Blouin. That is about $500,000 in the $2 million figure that you are talking about. What is your total enrollment in the school?

Mr. Rabenberg. 1515.

Mr. Blouin. Let's take the figure of $300 and add it to 1150. That is $1450 per Indian student in the school in state and federal aid. Another 38 percent comes locally, and I would think—what percentage of that is related to dollars, 5 percent or 10 percent; a very small figure, right? A very small percentage of the local tax dollars are Indian generated. Let's just add $50 in there or $100. That is $1550 in state and local monies that is generated directly as a result of those Indians being in that school, which is $200 higher than your per-pupil figure. So it seems to me the dollars that are there as a result of the Indian presence are subsidizing the non-Indian enrollment in that school. That is the way the figures look.

Mr. Rabenberg. Then I guess we have no problem.

Mr. Blouin. If I can take that as a point in fact, you probably don't need JOM monies?

Mr. Rabenberg. What I would like to do is have a chance to take your specific questions, work them back to enrollments and dollars. I am admitting I do not follow your line.

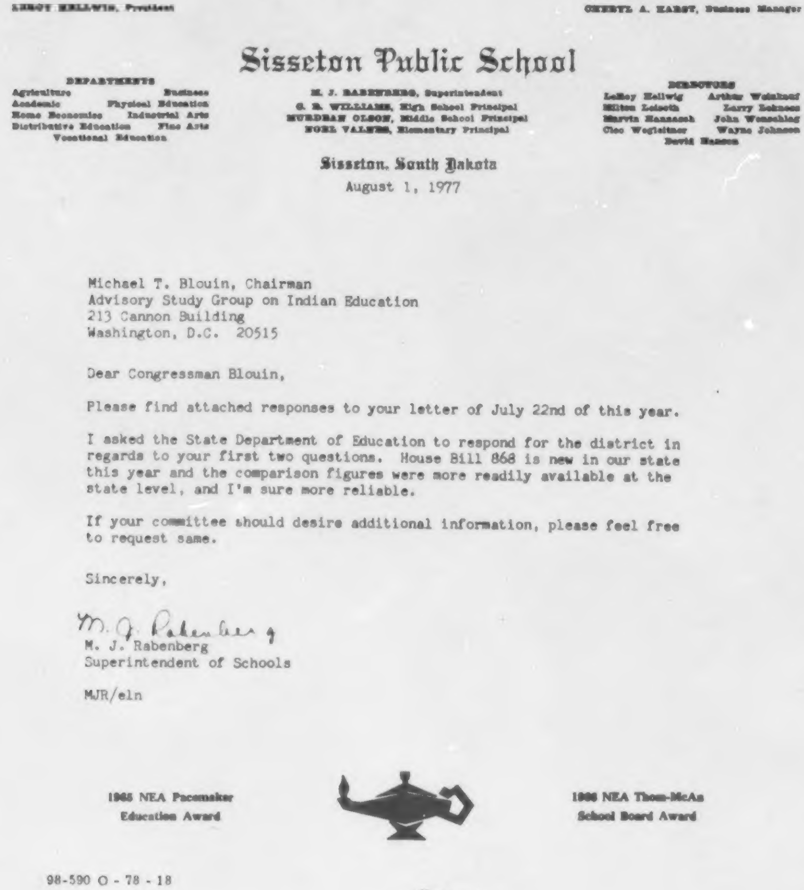
Mr. **Blouin**. We will put our questions in form that spells out what I have been trying to say here. I would like you to tear it apart on paper, if you can, because on paper it looks to me like federal, state, and local dollars exceed the cost per pupil for education in your schools in terms of Indian students. That means if you are running a deficit, it is a deficit not caused as a lack of federal dollars. It's a deficit caused as a result of a lack of funds for the non-Indian students in that school, and that is not our responsibility.

Mr. **Rabenberg**. I will try to straighten that out.

[The written questions asked Mr. Rabenberg and his reply follow:]

1. In your testimony, you stated that part of the funding problems for your district are created not by a lack of adequate Federal funding but by the failure of the State to adequately fund educational programs and/or the failure of county commissioners and State legislators to fairly and adequately tax *all* taxpayers (i.e. utilities). Should the Federal government be expected to correct this situation? As long as the Federal government *does* "pick up the slack", what is the probability that these situations will be corrected?

2. You stated in your testimony that the removal of Federal funds from your school system would be "chaotic. We would have to close down." Would the State of South Dakota allow this to happen?



LEROY HELLWIG, President

CHERYL A. KARST, Business Manager

Sisseton Public School

DEPARTMENTS
Agriculture Business
Academic Physical Education
Home Economics Industrial Arts
Distributive Education Fine Arts
Vocational Education

M. J. RABENBERG, Superintendent
G. R. WILLIAMS, High School Principal
MURDEAN OLSON, Middle School Principal
NOEL VALNES, Elementary Principal

DIRECTORS
LeRoy Hellwig Arthur Weinkauf
Milton Leiseth Larry Bohnsen
Marvin Hanssen John Wenschlag
Cleo Weglelther Wayne Johnson
David Hanson

Sisseton, South Dakota

August 1, 1977

Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
213 Cannon Building
Washington, D.C. 20515

Dear Congressman Blouin,

Please find attached responses to your letter of July 22nd of this year.

I asked the State Department of Education to respond for the district in regards to your first two questions. House Bill 868 is new in our state this year and the comparison figures were more readily available at the state level, and I'm sure more reliable.

If your committee should desire additional information, please feel free to request same.

Sincerely,

M. J. Rabenberg

M. J. Rabenberg
Superintendent of Schools

MJR/eln

1965 NEA Pacemaker
Education Award

1966 NEA Thom-McAn
School Board Award

SOUTH Dakota
department of education and cultural affairs

Division of Elementary and Secondary Education
New State Office Building, Pierre, South Dakota 57501

July 27, 1977

Mr. Maurice J. Rabenberg, Supt.
Sisseton School District #54-5
Sisseton, S. Dak. 57262

Dear Supt. Rabenberg:

In response to your telephone call of July 27, 1977, I will attempt to answer your questions in the order you asked them.

1. What effect will the new school finance Act have on the Sisseton District?

Answer: None -- unless there is additional money to fund the program.

2. Will this new equalization provision ease problems or create them?

Answer: It won't change a thing unless there is new money. Over a long period of time, assuming the enrollments continue to decline, there would be some shifting of revenue.

3. Address the general state of finances in South Dakota's School Districts.

Answer: School Districts are in trouble and have their backs to the wall. In testimony before the Legislature's Joint Appropriations Committee in January 1977, I pointed out that 79 school districts (40.5%) are taxing at the maximum and another 51 districts (26.0%) are within 5 mills of the maximum. In other words 2/3 of South Dakota's 195 school districts are making a great local effort -- to the point where there is little or no local leeway left to local boards of education.

To be more specific regarding your school system, let's look at a comparison with two (2) relatively comparable districts, in terms of pupils, one a neighboring district and the other across the state to the South.

1975-76	ADM*	Cost ADM	Non-Ag Mill Levy	Assessed Valuation per ADM	Local Taxes per ADM
Sisseton	1533.1	$1,462.57	40.00	$12,416.	$ 401.
Milbank	1418.1	1,140.11	24.78	43,537.	1,031.
Vermillion	1509.8	1,337.49	37.20	29,787.	997.

*ADM-Average Daily Membership

From the table on page 1 you can see that in spite of maximum tax effort, Sisseton raises only $401 in local taxes while the others have about 2½ (two and one-half) times that income from lower tax rates. There are several other comparisons you can make on the brief table shown, but each leads to the obvious conclusion that income from other sources are necessary to operate a school system at Sisseton even if you cut programs and people to a substandard level.

In all honesty, I can't see relief from the state legislature for 1978-79. The tone was set last year and the state will not have the money to change the situation much, if at all, in any of South Dakota's schools. State aid may increase, but will it increase enough to offset the inflation rate on the state monies you presently receive?

Pete, I don't want to give the impression that I'm a forecaster of doom or that the legislators won't be trying. The thoughts above are mine and I believe them to be quite realistic. The Division will be going after an increase in State Aid, but the revenue sources in the State are not producing the kind of money we need to bring the 15% level of state support (statewide) up to a level which will impact property poor districts like yours. If an income tax would be passed, and you saw what happened last year so I give it no chance in 1978, your district would still be two (2) years away from realizing any impact.

So in my opinion South Dakota, with its heavy reliance on local support, will continue to have islands of tax advantage which also often happen to be islands of educational opportunity. Unfortunately, Sisseton does not come anywhere near this category.

I believe I have answered your questions, but may have missed something in the translation. If there has been a miss, please give me a call Monday, August 1 st, in the afternoon as I will be out of the office until then attending a "Futures of South Dakota" session.

Sincerely,

Henry Kosters

Henry G. Kosters, Asso. Supt.
Office of Division Planning

HGK:cn

We are in receipt of the research paper quoted. We would like it recorded in the Congressional Record that this paper was mailed to your committee on May 6th - referred to the Oversight hearing on May 18th and forwarded to the Sisseton Public School on June 2nd. We would also like to make sure the addendum to the May 6th paper, dated May 18th, by the same authors is also included in the Federal Register.

In regards to the real tax effort by the Sisseton School District I would agree as far as the authors went, but let's continue on to point out that it is possible for property values to rise, mill levies to decline and still raise additional General Fund tax dollars. Please note the Sisseton General Fund receipts as follows:

TAXES RECEIVED FROM DISTRICT LEVIES FOR THE GENERAL FUND AS REPORTED ON THE ANNUAL REPORT AND STATE AID APPLICATION FOR THE FOLLOWING YEARS:

1970-71	$471,434.16
1971-72	523,736.15
1972-73	553,692.48
1973-74	565,163.48
1974-75	578,953.90
1975-76	608,893.77
1976-77	614,376.76

In the state of South Dakota we are required to file our budget request in dollar figures, not in mill quantities. I would also like it recorded that the Roberts County Commissioners have complete control over these values, not the Sisseton School Board. It might also be well to remember the Roberts County Commissioners have six additional schools to finance and recognize other than ours.

The contention that utilities are not paying their fair share could be a valid criticism, but it should be answered at the State level. This levy is set by the State House Agencies with no imput from our level.

The tax dollar amount raised has not declined at the local level even though .79 of one mill's potential was not raised in the 1976-77 taxing period.

The only requirement placed on basic support schools by the Bureau of Indian Affairs for Johnson O'Malley funds is to exceed the State average assessment and mill levy. May all readers be advised of the following facts:

Year	Sisseton Millage Rates		State	
	Agric.	Non-Agric.	Agric.	Non-Agric.
1965-66	12.00	36.02		
1966-67	12.00	36.11		
1967-68	22.45	36.90		
1968-69	22.45	36.90		
1969-70	21.94	36.88		
1970-71	23.18	38.36		
1971-72	24	40		
1972-73	24	40		
1973-74	24	40		
1974-75	24	40		
1975-76	24	40	22.32	36.64
1976-77	23.21	38.42	22.01	36.02

It was in the 1971-72 school term that we left our twenty-seven rented class rooms and moved into the two new school buildings. It was at this time our local school board moved its local taxing ability to the maximum. It was at this time that the Sisseton Public Schools began negotiating for increased Impact Aid as the Appropriations Committe stated in their authorization of the buildings' maintenance and so forth. You will note that we could only get the state average verified for two years by state officials.

You will also note that the state average did decline as did the Sisseton levy in 1976-77. We posed this question to Mr. Schlueter of statistical services in our State Department, and his only response was that he had "no feel" for this decline.

This decline in mills would have amounted to a potential loss of 20,961.59 dollars to our district.

Committee Members, we are not asking you to increase your contributions, we are asking you maintain the committment made over the years by agencies of the United States Government.

#4

The first sentence of item #4 is correct as stated.

The second statement is also correct as stated for last school year (1976-77).

Our main concern is when the Johnson O'Malley figure of $354,339 drops to $122,000 this year. Please divide this difference of $232,339 by 617 students. This subtracted from $1,256 looks more like a 445 dollar differential rather than the $100 figure you use. If and when the last one-third is phased out, our district would be experiencing a differential of some $640.

In reference to the other contributions (cited on page 9) which you refer to are for the most part "dollar in and dollar out" manuevers and are not included by the state in our ADM expenditures.

Please keep in mind our testimony on May 18th was only to maintain our present Johnson O'Malley Basic Support "Need" level as established two years ago by the Bureau of Indian Affairs at $368,000. We also agreed to serve as a host or pilot school to try out whatever plan your Committee or the Department of Interior would like to try before establishing a new law for this type of funding.

#5

Yes - the Sisseton Public School District and the Title IV Advisory Board jointly receive Title IV Part A (Indian Education Act of 1972) funds.

It would be well to note that most of these dollars have been spent to help deter even further the Indian drop out rate you mention in Question #6.

The two afore mentioned boards have reviewed the school system and its problems and have agreed that Title IV monies should be spent as follows:

1. Employment of an Indian Affairs Coordinator
2. Counselor's aide for Middle School
3. Three home-school coordinators
4. A nurse's aide
5. Provide parental costs for Indian children

All six of the above positions are filled by Indian people.

These Title IV monies have been spent for special Indian positions and special services and therefore would not tend to increase the disparity you refer to in item #4.

The Sisseton School system has never asked the Title IV Advisory Board to spend any of their allocations on General Fund obligations of the district.

Both boards are aware of the regulations controlling these funds as printed in Vol. 38, No. 139 of the Federal Register as published on Friday, July 6, 1973, which says in effect these funds will not supplant district dollars.

The only disparity this writer is able to identify is that the above services are not available to all children in our school district. Parents of non-Indian students wonder why these programs and services are not available to their children, and to be quite frank I can't answer the question.

The following items are provided for all area's of our district:

1. To provide bus transportation to all youngsters in school districts rather than limiting the service to those whose residence exceeds 2½ miles from the school site, as state law allows.
2. By providing a health service component to all our students.
3. Sr. High club formed known as "Sioux Voices" - they have their own source of income and are provided an adult Indian advisor.
4. Cultural Integregation workshops for employees'.

Steps and projects intended to increase the holding power of the Sisseton school system by grade level and area:

High School

I. Varied Curriculum

   a. Dakota Language and Culture
   b. Language Arts is arranged in three levels; basic, regular and college preparatory
   c. Mathematics and Biology is offered in two levels
   d. Art, Arts and Crafts, five Industrial Arts courses and ten Vocational level courses
   e. Multi texts including many of interest to Indian students, including paper backs in the library and classrooms

II. Counseling

   a. A fully certified Counselor is available and works with all students
   b. A home-school coordinator spends much time with Indian young people
   c. For two years, a full time Indian Counselor has been employed at the High School and Middle School
   d. The High School cooperates in enrollment of Indian students in the Up Ward Bound program through the University of South Dakota. Students remaining in the program receive a small monthly stipend

III. Activity Program

   a. Athletics - sports programs for boys and girls are open to all students. Indian students participate heavily in the athletic program and are excellent performers.
   b. Music - there is some Indian participation in both vocal and instrumental music.
   c. Cheerleading and Drill Team - Indian students participate in both groups.

Middle School

The following programs have been in practice at Middle School to assist Indian students:

1. Sioux language classes have been available to all students interested in learning the Sioux language. Culture is also stressed in these courses.
2. Heavy emphasis has been placed on Indian history and culture in the sixth, seventh and eighth grade social studies classes. Sioux history and culture has received specific emphasis. The sixth grade social studies teacher is certified by the State Department as a certified Sioux language teacher.
3. Home-school coordinators are employed to assist Indian students.
4. Audio-visual materials on Indian history and culture are available and used.
5. The school cooperates with the Public Health Service Clinic to provide services within the area of health for Indian students.
6. Indian students are encouraged to participate in all extra-curricular activities.
7. A counselor has been available to help students with problems that they may have.

Elementary

Indian students at Westside and Peever Elementary are exposed to the following:

1. Kindergarten students have access to milk and snacks twice a day
2. Grades 1 - 5 get milk
3. Grades 1 - 3 teach Indian units and culminate the unit with an activity (such as an Indian dance, make fry bread, Indian songs, etc.)
4. Grade 4 teaches a complete South Dakota history which includes culture and history of the local Indian tribe
5. Grade 5 teaches a United States history unit and includes the history of the American Indian
6. The music instructor teaches some Indian music
7. The Elementary offers a Bi-lingual and Bi-culture course
8. The Elementary allow students time to go to the Public Health Hospital for dental and doctor appointments during the school day

9. The Elementary has an Indian lady employed to check on students, and get them to school when they miss the bus.
10. The Elementary provides speech therapy for the students.
11. The Elementary provides Special Education for the students.
12. The Elementary has a wide variety of library books, films, and filmstrips in the Resource Center.

I would like to take exception to the phrase "Alarming Indian drop out rate in your District."

Sisseton Board member Larry Lekness and myself were present at the May 18th Oversight hearings at which time our Tribal Chairman spoke of the drop out problem in our school system. Our school records do not agree with his presentation.

The Tribal Chairman and myself have visited about this topic since the hearings, and again since his written testimony and the kindest rebuttal I can make is that his educational staff furnished him with damn poor information in this area.

Please review the previously presented drop out study since 1959 at which time the Sisseton Public Schools became involved with Johnson O'Malley type funding.

The tribe must endorse the validity of this instrument as it was included in their 1976-77 Educational Data for the Sisseton Whapeton Tribe, as being done by the Educational Component of the tribe for our complete reservation area. The term most commonly used for this type endeavor is known as plagiarism, as it was lifted from our school districts' testimony in tact.

When the national statistics verify that the Indian drop out rate is in excess of 50 percent it is difficult to accept undue criticism in regard to our districts efforts, to date, to curtail this very serious problem.

Please be assured we are not happy with our meager results, but let us all be aware that there are other programs and agencies receiving federal dollars in the name of Indian children, so, therefore, is it fair to assume the public schools alone are to blame?

Congressman Blouin, please be assured our district will continue to provide the best educational services available to all our youngsters - as far as the budget will allow - regardless of whatever action your committee deems it necessary or appropriate to take.

Mr. **Warren**. May I answer that question. All districts are different. If I were to divide the amount of local property tax paid in our district by the number of non-impact aid children in our district, the property taxpayer pays $1,515 per non-impact aid child. This is the West River School District.

Our total cost of education is about $1400 per child in the district from the general fund, which means that we take all of our federal aid money, JOM, 874, state aid and all the rest of it, plus $100 per child taxes paid for other chldren, to educate the impact aid children.

Mr. **Blouin**. It seems to me that you are paying in your area far more property tax per student than Sisseton as a start, so I think we have to start from a different base in figuring. Is one of the schools in your area Macintosh, where 16 percent of the enrollment is Indians?. The law says 70 percent, so I think in this instance, not knowing the specifics of what you are talking about, the federal dollars are flowing into your area beyond the legal commitment that is required. There is a wiaver of the law for your area.

Mr. **Fields**. That is right.

Mr. **Blouin**. A waiver that does not have to be there.

Mr. **Warren**. Sir, may I just say that that waiver was based on very logical reasoning, that if we do not have the money, we cannot educate the children, and my concern is the education of children.

Mr. **Blouin**. I do not argue that. I agree with the waiver and I think you need dollars, and not enough are coming from the federal level uniformly. My whole point is that in Sisseton, on paper, it looks like they are getting far more federal support in total than the amount of Federal support required to educate each Indian child. If that is the case, there is an inequity not many miles away in the same state. I think it adds credence to Mr. Barlow's testimony about the need for a uniform equalization plan nationwide that gets away from this hodgepodge piecemeal approach to Indian education.

This just plain is not fair. It is not fair to Sisseton, to Macintosh, to New Mexico. I think if we can just establish the fact there is a difference between the way your two school districts are treated in federal dollars, that in itself would prove at least part of what we are trying to get. Would you agree with that, that you are being treated differently?

Mr. **Warren**. Any two district like any two people, you can't treat two people exactly alike, and the needs of every district are different. I would like to recommend what sounds to me as logical, that the Federal Government commit an equal amount for 874 to match what the local people are willing to pay in property tax because that is the whole problem that we have.

We have this large amount of land that the government says we cannot tax, and I am not arguing that we should, but the people live on that and if the government would be willing to pay an equal amount per pupil for the children on that land, that the taxpayer is willing to pay for the children that do not live on this nontaxable land and the local taxpayer is not going to pay any more than he has to.

Mr. BLOUIN. That would be a good idea for your area but it would cut Sisseton by about a third of the federal dollars they are receiving new because their local taxes—I take that back.

There their local taxes, in terms of tax paid by the local property taxpayer, does not equal what the federal dollars are today, so I think they would drop. I am not sure that would help. You cannot plug the substantial uniform program into every district; there has to be some flexibiity. My point is there is some inequity in the existing programs.

Mr. WARREN. I do not know of any program, federal, state or local, that does not have some inequities in it.

Mr. BLOUIN. I would not argue with that.

Mr. BARLOW. I think the trend of the discussion here certainly has some deeper implications. I am thinking of the *Corona* vs. *Priest* decision in the State of California, which held that reliance on property tax certainly does deprive some children of equal education opportunity, and the *Rodriguez* vs. *Texas* case, that says that is the way it is going to be until something better comes along.

Mr. BLOUIN. We may have to recess sometime later on this morning or early afternoon. There is a bill on the floor, the School Lunch Reauthorization Program, that was passed out of the overall Education and Labor Committee and that most of the members of that committee have various amendments to. When the general debate is over and we move into the amending process, we will recess temporarily until that debate is finished, and then come back here.

Mr. Flute, I would like you to begin. I would appreciate it if you would summarize your testimony. We will submit it for the record as written. Thank you for being here this morning.

[The prepared testimony of Mr. Flute follows:]

SISSETON-WAHPETON SIOUX TRIBE
OF THE
LAKE TRAVERSE RESERVATION
SISSETON S.DAK. 57262

Testimony of Jerry Flute, Tribal Chairman, Sisseton-Wahpeton Sioux Tribe of South Dakota to the House Committee on Education and Labor; Chairman the Honorable Carl Perkins. Hearings on Federal Support to Public Schools, May 17, 18, 19, 1977.

Mr. Chairman and Members of the Committee:

My name is Jerry Flute, Tribal Chairman of the Sisseton-Wahpeton Sioux Tribe of South Dakota. It is a pleasure to present testimony before you today, regarding education of Indian children.

I would like to briefly express to you, some of the historic background regarding Indian education on the Lake Traverse Reservation of South Dakota.

The Bureau of Indian Affairs established, maintained and operated a number of B.I.A. Day Schools on the Reservation. These schools were responsible for educating Indian children up to the eighth grade. From the eighth grade on, Indian students were automatically expected to attend a B.I.A. boarding school, off-reservation, for the balance of their education. And in some instances, Indian children were also sent to B.I.A. boarding schools for elementary education.

In 1971, during a meeting that I had with the B.I.A. Aberdeen Area Director, I was informed that during what I would call the termination era of the 50's, the Lake Traverse Reservation, Sisseton-Wahpeton Sioux Tribe, was scheduled as the second reservation in the state of South Dakota to be terminated. This was a decision made in Washington, and was forwarded down through the Aberdeen Area to the Agency Superintendent.

During the early 50's, the Agency responded to that mandate by winding down government services to members of the Tribe. In this wind down period, many miles of Tribal roads were turned over to the county and state for maintenance and upkeep. Federal services handled through the B.I.A. Agency were diminished in terms of dollars available, and the various B.I.A.-operated Day Schools were closed down and Indian students were required to attend the local Public School districts within which they resided.

During this period of time, the Bureau of Indian Affairs lost approximately 20 school teachers along with other supportive staff, that were employed in these schools. These staff positions were either completely abolished, or the positions and the individuals were transferred to other agencies that were not scheduled for the termination.

With these Indian students now forced to attend Public School districts, the School districts were not prepared to assume the large number of Indian students in their facilities. They were not prepared teacher-wise, nor were they prepared facility-wise. But yet they accepted the responsibility of accepting these students and providing them with an education. The schools were then eligible to apply for federal funds to maintain a proper curriculum, facilities, etc., to accomodate the added number of Indian students. One of the federal assistance programs was Johnson O'Malley.

Jerry Flute Testimony - Sisseton-Wahpeton Sioux Tribe of South Dakota - May 18, 1977.

Because of the number of Indian students that went into the Public School districts, the community in the Sisseton area was confronted with the problems of lack of facilities, over-crowded school classrooms, and inappropriate numbers of teachers to accomodate the students.

Because of that problem, the community in conjunction with the Bureau of Indian Affairs, supported an effort to have Congress appropriate money to construct two new facilities: a new high school facility for the town of Sisseton, and a new elementary school facility for the town of Peever; both schools at that time having large numbers of Indian students.

Commissioner Bennett was then in office as Commissioner of Indian Affairs for the Bureau of Indian Affairs, and with the assistance of Congressman Ben Reifle, authority was iniated to construct two new facilities because of Indian students. During the course of testimony given in both Houses of the Congress, Commissioner Bennett along with Congressman Reifle, repeatedly answered the question of who assumes the liability and financial support for these Indian students in these facilities, if they were to be constructed?

The answers to these questions were simply that Johnson O'Malley Basic Support was designed for that purpose, P.L. 874 was designed for that purpose, and these were the two primary vehicles of funding that would support Indian students within a building constructed in a public school district.

The problem that we have been confronted with, ever since I can remember, and I have been a resident of the reservation for most of my life with the exception of four years I have spent in the United States Air Force and several years employed away from the the reservation, has always been the quality of education provided to Indian students, and I'm sure this Committee has heard many pages of testimony regarding the cultural differences and special needs required by Indian students. Special needs, not only created because of the cultural barriers, but special needs which are inherent with a poverty culture.

Sisseton is no exception to the rule. We have a cultural difference, we have a high level of poverty and unemployment. These two factors combined require special attention, special educational needs for our children.

The concern of education has always been with the Tribal members as well as Tribal Councils. Up until the time that P.L. 93-638 was passed, Indian people were at a disadvantage in terms of the type of education being administered to their children. In other words, there was very little Indian consultation, very little Indian input as to the educational system which was designed predominately for the Anglo-Saxon. As such, the Indians could do very little in changing a system which was alien to the Indian student.

Indians have run independently for the school board position, and have always been defeated primarily because the local community and the voters within the school district feel that only people who are bona fide taxpayers within the community should be eligible to sit on the school board. And any time an Indian runs for the school board, the voters who normally do not vote, come out in droves, to assure the fact that an Indian will not be seated.

So with the passage of 638, we then had local Indian education committees who were allowed by law to have input into budgets, school recommendations for curriculum, etc. This has only recently happened and not enough time or development has taken place from the Local Indian Education Committee's to really have an impact as to improving a system of educating Indian students.

Jerry Flute Testimony - Sisseton-Wahpeton Sioux Tribe of South Dakota - May 18, 1977

This is a very new concept to Indian people, to now have a voice in an institution which was run, and is still run, predominately by non-Indians, and as such will require more time for Indians to become aware of the provisions of the law that give them this authority to now speak to the issues of education within a Public School district.

P.L. 638, according to Bureau policy, begins winding down Johnson O'Malley Basic Support to Public Schools with Indian enrollment. The 1977-78 school year will be the final year of Johnson O'Malley Basic Support to Public Schools educating Indian students. It has been the feeling of many people on the reservation, many people of the Tribal Council, that because of the variety of problems that evolve from an integrated school controlled by a segregated board, that maybe we ought consider a school of our own. Maybe we ought to consider assuming responsibility for the new facilities that were constructed in 1968, which are still in the ownership of the United States government, Bureau of Indian Affairs.

There are many problems with this kind of a concept which I will not go into at this time. There are probably as many problems with running a segregated school on the reservation, specifically for Indians. The attitude of the people, however, is that maybe this ought to be done, maybe we should run a separate school system for our own students where we know that the teachers employed will be screened and hired, based on not only qualifications, but their desire to assist Indians in achieving in non-Imdian education, thereby preparing the Indian student to compete in perhaps rural or urban settings and allow them a livilihood and a life style equal to the non-Indian.

There is no doubt in anyone's mind, that the two schools that educate Indian students from my reservation need Johnson O'Malley Basic Support. There is no doubt in anyone's mind from the Indian community that the quality of education is not on a par when you compare the Indian to the non-Indian. As an example, it was reported to me just recently that within the Sisseton High School, we started out the year with 14 Indian Seniors and we will graduate three.

The question then arises, why did we lose 11 senior students in their final year of school? Why does a seventh grade Indian student not read on a seventh grade level? Why is his reading ability no more than a third grade level, when the non-Indian counterpart is achieving at least the reading level of the grade he is attending?

There are many questions similar to this that arise when we talk about education of Indian students. The Sisseton-Wahpeton Sioux Tribe does not disagree that the schools on the reservation, educating Indian youth, need the Johnson O'Malley Basic Support. The need has been clearly identified and justified.

The question, however, goes back to, why do these inequities within a school system, which has a Class A rating; which has been classified as an exemplary school system; why do these inequities continue? Why are we not graduating more Indian students?

Our feelings from the Tribe are very simple, that the school is not giving the proper attention to the special needs. I am not here prepared to answer why the school is not providing these special needs, nor do I know why they are not. I do know, however, that with the amount of federal dollars going into that school system, that something ought to be done to alleviate the problems of reading, mathematics, studying and graduation.

In terms of Johnson O'Malley Basic Support, it is this Tribe's feeling that the Bureau of Indian Affairs should continue being the vehicle through which federal dollars, if appropriated for this program, should be channelled. It is further the feeling of this Tribe that if the Bureau of Indian Affairs, Washington Office, should be solely responsible for handling these funds, thereby eliminating the need for the Area Offices to be involved.

Jerry Flute Testimony - Sisseton-Wahpeton Sioux Tribe of South Dakota - May 18, 1977

We concur that a Central Office staff within the Bureau of Indian Affairs should be responsible to design and develope an application criteria which Public School systems educating Indian students, would be required to comply with in their application process for Johnson O'Malley Basic Support funding.

We feel that an independent review panel, composed of professional staff people who are familiar with budgets of schools, tax bases, state aid, should be involved in determining the actual need of a school district for these Basic Support dollars.

We feel, further, that the appropriate Tribe should concur with that application process, and once the award is made by the core staff and review panel, that a contract be developed between the Bureau of Indian Affairs and the appropriate Tribal governing body.

Once this is concluded, the vouchering system between the appropriate School District and Tribal governing body would then channel the necessary dollars into the school system.

It is also the feeling of this Tribe, that the state of South Dakota ought to be mandated by the Congress of the United States to provide the necessary technical assistance and enforcement of local school districts in their tax effort, along with curriculum development. We feel that based on public school studies and reports regarding Johnson O'Malley programs, that many schools have actually reduced their tax effort while increasing the federal support.

We feel that the State has been negligent in meeting the responsibility of school districts who are faced with financial burden. We feel that the State has been negligent in mandating of County Commissioners and School Boards in tax assessments in support of the school system. It is our understanding that many schools have $20-25,000 of taxable equity behind every student within their school district. If this is the case, then the State must take the lead in mandating and policing counties and school boards to assess the maximum levy allowed by the law. It is our feeling that once the State has become more actively involved in public school district financial dilemma, that this may decrease the amount of federal funding required to educate Indian students.

It is also a recommendation of this Tribe, that a system of monitoring and audit be instituted by the Bureau of Indian Affairs to assure the Congress that federal dollar appropriations to support Indian students in their education, are properly used for that purpose. It has come to our attention through various sources that many schools rely on the Indian student for the federal dollar to not just educate that Indian student, but to sometimes educate 2 to 3 other non-Indian students with those same dollars.

I cannot testify before you that I know this to be a fact. I have read reports compiled through other parts of the country which reveal that this has been a practice. And whether or not the Bureau of Indian Affairs has ever instituted a monitoring and audit system to assure not only itself, but the Tribe and the Congress, that these dollars are actually doing the maximum amount of educating Indian students that it can.

In conclusion, the Sisseton-Wahpeton Sioux Tribe hereby goes on record that we object to the current plan of the Bureau of Indian Affairs regarding Johnson O'Malley Basic Support assistance which would require that only schools with 50% Indian enrollment would be eligible. We object to this provision if it ever becomes policy or law for two very obvious reasons. Number 1) the Sisseton School system has approximately 40% Indian student enrollment. Number 2) the Waubay School system has approximately 30% Indian student enrollment. These are the two schools which currently are assisted by the Johnson O'Malley Basic Support program.

STATEMENT OF JERRY FLUTE, CHAIRMAN, SISSETON SIOUX TRIBE

Mr. Chairman and members of the committee, my name is Jerry Flute, Tribal Chairman of the Sisseton-Wahpeton Sioux Tribe of South Dakota. It is a pleasure to present testimony before you today regarding education of Indian children.

I would like to express my appreciation to the committee members that recently made the field trip to South Dakota. We had the pleasure of hosting congressional people at the meeting at tribal headquarters on some of the issues regarding Indian education. It has been a long time since we have seen congressional people show the kind of interest that we detected from your committee, and we hope this is a positive attitude in terms of Indian education.

The summary of my testimony begins with giving the previous historic background of education on the reservation, and this is primarily during the early years of the reservation when schools were operated by the Bureau of Indian Affairs and on into the period of time that I consider the termination era of tribes when Sisseton was scheduled, as I understand it, from the Bureau of Indian Affairs to be the second reservation in the State of South Dakota to be terminated.

With this termination policy the federal services on my reservation were diminished, the Bureau-operated schools were terminated and Indian students were required to attend the public school districts. The public school districts were not prepared at that time to assume the number of Indian students from the BIA day schools and not prepared to assume the responsibility of educating high school students who were normally expected to attend boarding schools off reservation. Because of the influx of Indian students into the school district, this caused a burden in terms of facilities and we had Congressman Ben Rifle and Commissioner of Indian Affairs Bennett, who began pursuing congressional approaches to construct two new facilities because of the impact created by the Indian student enrollment. Two new facilities were constructed, a new day school, both of which have large numbers of Indian students.

During the course of the testimony when this appropriation was requested, Mr. Chairman, there were questions raised by the Appropriations Committees as to how will the financial responsibility of Indian children be met, and the response in each house during the hearings was that Public Law 874 was designed for that purpose along with Johnson-O'Malley basic support. We are now confronted with a problem in terms of education of Indian students, with the problem of the financial dilemma that the public school districts are confronted with. It appears that Public Law 93-638 and the policy decision of the BIA to wind down Johnson-O'Malley support is identified as being the reason for this financial dilemma.

We feel, Mr. Chairman, that from the tribal vantage point the basic support dollars ought to continue whether under special legislation or through some administrative vehicle; that these base support dollars ought to be continued, that they ought to be handled in a method of having a central core staff within the Bureau of Indian Affairs responsible for the design of a plan which would outline the various factors from the schools in terms of what they would be eligible to receive from Johnson-O'Malley or whatever the funding source is to be, and this central office staff should have a panel of experts in the area of school budgets, tax standards assessment values, and schools ought to be required to apply through this system with an independent panel to review these applications and to determine the amount of money the schools are to receive.

Once this has been done, a contract should be issued between the Bureau of Indian Affairs central office and the appropriate tribal governing body.

We also feel, Mr. Chairman, that the state needs to play a more prevalent role in working with the school, particularly with those schools with Indian students being educated. The state ought to play a more important role in assuring that the tax effort is at an equitable ratio, assuring there is proper curriculum development to accommodate the needs of Indian education.

These essentially are the highlights, Mr.Chairman, of what is in the written testimony. At this point I would leave myself open for any questions that you or your staff may have regarding the testimony that we have submitted.

Mr. BLOUIN. Thank you.

[The written questions asked Mr. Flute and his reply follow:]

1. Would you briefly restate your position on continued (or increased) Federal basic support assistance to those schools in your area?
2. Do you support the concept of tribal control over *all* funds attracted by the presence of Indian students? Should such control be mandated by law or left to local tribal option (grant versus contract)?
3. If control of funds were at local option, would extra social factors effectively preclude the tribes' exercising this option?
4. Should 874 and JOM be combined? If so, what Department should handle them?
5. In your opinion, where does the responsibility for the education of Indian students rest?

SISSETON-WAHPETON SIOUX TRIBE
OF THE
LAKE TRAVERSE RESERVATION
SISSETON S.DAK. 57262

Response of Jerry Flute, Tribal Chairman, Sisseton Wahpeton Sioux Tribe, to letter dated June 6, 1977, from Congressman Mike Blouin, Advisory Study Group on Indian Education.

First question - Would you briefly restate your position on continued or increased federal basic support assistance for schools in your area?

Answer - It has always been the feeling of the Sisseton Wahpeton Sioux Tribe that education for Indian students is vested in the Federal Government. We take this position because of Treaty obligations made to this Tribe in lieu of payment for land that was ceded to the U.S. Government. In view of this position we feel strongly that financial assistance for educating Indian students must come from the Federal Government not the State. In regards to increased federal base support, our response is very simply, that if the testimony given during the Hearings held in Washington regarding the 3-1 ratio of federal funding versus local tax effort, if that was an accurate analysis made by the Bureau of Indian Affairs and the Study Group, our position would be that the Tribe would not condone the continuation of non-Indian students being educated at the expense of Indian students and financed by the Federal Government. We feel that our recommendations made during the Hearings are accurate reflections of our feelings and that assistance is needed by the public schools, namely Sisseton and Waubay, to keep the doors of their facilities open and to provide a quality education for Indian students. There is no doubt that based on statistical information regarding drop-outs among Indian students that recommendations and changes need to be made within the school system to improve the retention of Indian students. That particular problem is not totally connected to the basic operations of the school. We understand that, but we feel that if the Federal Government is providing federal dollars for the education of Indian students then it is either the Federal Government's responsibility to mandate to the State and to the public schools receiving these federal dollars that corrections must be made in providing quality education. If the Federal Government is conveying that responsibility then it ought to be properly conveyed to the appropriate Tribal governing body and in turn to the local parent committee which is either advisory or whatever capacity they have in the public schools.

In summation our position is very simple that the Federal Government must play a role in providing federal assistance for Indian students in public schools, and Tribal people must have input.

Second question - Do you support the concept of Tribal control over all funds attracted by the presence of Indian students? Should such control be mandated by law or left to local Tribal option - grant versus contract?

The position that the Sisseton Wahpeton Sioux Tribe would take in response to question #2 is that yes, all funds attracted by the presence of Indian students ought to have some type of Tribal control and this is for some very obvious reasons. The Myron Jones Report has revealed that schools have ignored Tribal input and funds attracted by Indian students have been misused. We feel that the reports submitted by NAACP (even chance) also revealed many areas of misuse of funds appropriated to schools for Indian students. A third report "Indian Education, A National Tragedy" prepared by the Kennedy Commission reveals more of the same in terms of neglect, misuse, etc. The record is clear that many schools without Tribal control have misused federal funds appropriated because of Indian students. Specifically, I am not aware of this type of misuse by Sisseton or Waubay.

Second part of the question is; should such control be mandated by law or left to local Tribal option. In response to that question I feel that this ought to be mandated by Federal law. It ought to be mandated in the same way that PL 638 requires Indian input and Indian control. I feel that a clarification ought to be made, however, that the Tribal control does not especially mean that an Indian advisory board, Indian education committee, whatever, has the authority to veto the entire school budget. I feel that the local control ought to be in terms of vetoing any proposed use of Federal funds by the school if the local committee is not the body making the budget for those Federal funds.

In regards to grant versus contract, I feel that Tribes live under the public stigma that we live on grants, and this may be true to a certain extent, but I would opt and recommend that these Federal funds be in a legal binding contract form which would require accountability, reporting process and auditing process. The connotation of grant seems to mean that you can do anything you want to with the money; you're not mandated by any policies to account for the money. As such, we would opt for contract.

Third question - If control of funds were at local option would extra social factors effectively preclude the Tribe exercising this option?

I am not really sure what that question means, but I would interpret that to mean, would this cause any stress or additional strain to racial problems that may exist within an Indian community. My response to that would be yes, it would cause social factors that would definitely lead to some kind of backlash to the Indian community by the majority population which is non-Indian. However, if the community were made aware of the circumstances leading up to Indian input, Indian control and contract for federal monies, I feel that this type of social backlash and social concern could be overcome.

The problem that has existed in this community, in particular, has been a lack of communication between the school administration and its teachers; lack of communication between school administration and Indian advisory boards; lack of communication between the advisory boards and teachers. As a result we have a merry-go-round of communication problems. Once all three parties,(maybe we ought to include a fourth, which is the students,)are made aware of the circumstances that lead us into a complex situation that a better understanding be achieved, and hopefully this understanding would lead to acceptance of what we are recommending.

Question #4 - Should 874 and Johnson O'Malley be combined? If so, what department should handle that?

We would take a position of caution of combining the two programs, primarily because 874 was designed specifically for governmental complexes, governmental lands, and employees, not subject to the normal taxes of permanent residences. (i.e., military installation, Federal offices and Federal employees.)

Johnson O'Malley basic support was designed for resident Indian population, non-taxable lands. There may be a fine line dividing the two, but we would express caution in combining them. There are probably experts in the field of administration in 874 and Johnson O'Malley who would be better equipped to respond to the pros and cons of this kind of merger. However, we feel that the Department of Interior, Bureau of Indian Affairs ought to be charged with the responsibility of handling Federal funds whether they be 874, JOM or Title programs; be charged with the responsibility of assuring Congress, assuring the tax payers, assuring the Tribes and the schools that this money will be handled in such a way as to alleviate the problems that exist now in the delivery and allocation system of these monies. The Bureau of Indian Affairs ought to be charged with the responsibility of timely planning in determining how much money would be allocated to schools; how the money is to be delivered, rather than the chaotic situation that exists today.

Question #5 - In your opinion where does the responsibility for the education of Indian students rest?

In the previous response made to this question, I think it is clear that it is our position that the responsibility for the education of Indian students is with the Federal Government. In the situation that we have here because the Federal government does not have a federal school (BIA) per se, the responsibility in this case rests with the public school district. The public school district is charged with the responsibility for providing quality education, not only for Indian students, but for all students within the area. This responsibility is a point of dispute currently with the Sisseton school district. Obviously if you are to exercise responsibility then you ought to have control. When we have a funding situation as we do here, responsibility becomes fragmented and ambiguous as to who has the responsibility. If the local school district relied totally upon its tax effort than obviously the local school district would have the total responsibility for the total population of students. In a situation as ours, that responsibility must be shared, must be shared because we are sharing federally constructed buildings for education; we are sharing federally appropriated monies for the education of Indian students; and we are sharing the concern that quality education be given to all the students. We are concerned that the responsibility for cultural enrichment, bilingual instruction must also be a shared responsibility.

It is our intention and our hope that our response to your series of questions will assist in coming to a reasonable decision by the Advisory Study Group on Indian Education; and hopefully, providing some assistance to whatever type of legislation may come from this Study Group. We again, thank the Chairman of the Committee, Mr. Blouin, for the opportunity to testify and sincerely hope that the interest shown by Mr. Blouin in Indian education will lead to positive developments and solutions to many of the complex problems that exist on the Reservation which must utilize the public school system.

Jerry Flute
Jerry Flute
Tribal Chairman
Sisseton-Wahpeton Sioux Tribe

Mr. BLOUIN. We will now turn to Ms. Evelyn Gabe.

STATEMENT OF EVELYN GABE, TRIBAL SCHOOL BOARD MEMBER, STANDING ROCK SIOUX

Mr. BLOUIN. Ms. Gabe is a member of the Tribal School Board at Standing Rock.

Feel free to summarize your testimony as you wish. The complete text will be submitted for the record.

Ms. GABE. My name is Evelyn Gabe, Chairperson, Standing Rock Tribal Board of Education, and I am representing Patrick McLaughlin, Tribal Chairman, Standing Rock Sioux Tribe.

[The prepared statement of Ms. Gabe follows:]

STANDING ROCK SIOUX TRIBE TESTIMONY

BASIC SUPPORT FOR PUBLIC SCHOOLS

GENERAL BACKGROUND DATA

Geographic Background:

The Standing Rock Sioux Reservation, which was established in 1873, straddles western North and South Dakota, with approximately one-third (1/3) of the land area lying in North Dakota. The original reservation boundaries encompass 2,332, 483 acres. However, as a result of Federal withdrawals and individual land sales, only 848,609 acres remain in Indian ownership.

Approximately 8,100 members are enrolled in the Standing Rock Sioux Tribe of whom just under 5,500 reside on, or adjacent to, the reservation. Of this resident population, 59.5 percent are twenty-one (21) years of age or younger, and relevant to this request, a strikingly high 49.7 percent are under the age of sixteen (16).

Economical Background:

Until recently, agriculture has been almost the sole productive economic base for the reservation with livestock ranching being the primary reservation agricultural operation.

Although agriculture remains very important to the Standing Rock economy, new economic possibilities have begun to develop during the past few years. However, the overall economic situation on Standing Rock remains bleak. While Tribal development activities are beginning to make a difference, individually-owned enterprises, aside from predominantly very small livestock operators, are still few in number.

Median family income is estimated at $3,666.00 as opposed to $6,721.00, the established poverty level for the nation; and over 50 percent of the reservation income is derived from the salaries of those employed by the Bureau of Indian Affairs; Tribal Operations; Public Health Service; Office of Native American Program;s and various Title programs. Indeed, it is estimated that about 80 percent of all reservation income is derived from either Federal salaries or welfare payments. In connection with the latter, nearly three-fourths (3/4) of the resident population on Standing Rock receives some type of welfare assistance at some time during the year. Since there is still little permanent employment to be found, unemployment figures range from 40 percent during the spring and summer months to 70 percent in the later fall and winter months.

Social Problems:

Various social problems are widespread on the reservation. Reflected in the social situation are poor Federal/Indian relations which existed for all but the past few years, as well as the current economic situation.

When the caseload of the Sioux County Welfare and Bureau of Indian Affairs Social Services is coupled with a persisting lack of employment opportunities, it is not difficult to see that welfare has become a way of life for many of the adults on the Standing Rock Reservation.

Alcohol is perhaps the single most important problem among the people at Standing Rock. Widespread use of alcohol is evidenced among both male and female adults; and more serious, among the young people of the reservation. The average age for beginning the consumption of alcohol is between nine and ten years of age, with 55 percent of the boys and 45 percent of the girls in this age reporting that they drink.

Juvenile problems are a major concern on the Standing Rock Reservation. Statistics of 1976 indicate that three-hundred ninety-five (395) juvenile cases were referred to Tribal Court. Reports by parents and school personnel in the communities indicated that the great majority of the delinquents were not even being brought before the Court.

Educational Background:

The educational system on the Standing Rock Reservation is most unique and difficult in that it involves the Bureau of Indian Affairs, a Cooperative School Agreement (between the Bureau of Indian Affairs and Public School District), and Public School District schools in the states of North Dakota and South Dakota. In addition, there are children attending Bureau of Indian Affairs off-reservation boarding schools in three states and parochial schools such as the Mormon Placement, etc.

At the present time, approximately one-thousand eight-hundred (1,800) children from Standing Rock are enrolled in elementary and secondary schools on or adjacent to the reservation. These nine schools are:

1. A public school in Solen, North Dakota
2. A public school in Cannonball, North Dakota
3. A Bureau of Indian Affairs School in Little Eagle, South Dakota
4. A Bureau of Indian Affairs School in Bullhead, South Dakota
5. A public school in Wakpala, South Dakota
6. A cooperative school in Fort Yates, North Dakota
7. A Catholic Indian Mission School in Fort Yates, North Dakota
8. A public school in McIntosh, South Dakota
9. A public school in McLaughlin, South Dakota

School records indicate that a majority of the Indian students enrolled in the various schools are six months to five years below the national average in reading vocabulary, reading comprehension, mathematics fundamentals, and language arts.

As a student only spends one-tenth (1/10) of his/her time in the school environment, much of the student's achievement or failure to achieve can be attributed to the economic and social conditions which are existent on the reservation.

Basic Support:

The following information relates to the issue(s) of "basic support" funding received through Johnson O'Malley and 874 Title I Impact Aid received by the public schools on our reservation.

Johnson O'Malley Funding:

Five of the nine schools on our reservation receive Johnson O'Malley funding, supplemental program funding, and operational support funding. These schools that receive funding are as follows:

Name of School	School Enrollment Indian/Non-Indian		J.O.M. Basic Support	J.O.M. Supplemental
	Fall 1976			
Solen (1-12)	121	121	*$ 5,523.00	$58,683.00
Cannonball (K-6)	99	1		
McLaughlin (K-12)	223	426		$43,302.00
McIntosh (K-12)	66	363	**$26,667.00	$12,816.00
Wakpala (K-12)	160	8	$43,334.00	$32,816.00

*Supplemental Program Funding, which the Local Indian Education Board decided to utilize for operational support.

**Funding taken from the total Johnson O'Malley allocation received through a waiver granted by the Bureau of Indian Affairs.

Supplemental Program Funding:

The Johnson O'Malley Supplemental Program funding is justified and the intent of Congress in establishing this law is well-appreciated.

School records indicate that the majority of Indian students enrolled in schools on our reservation are six months to five years below the national average in reading comprehension, reading vocabulary, language arts, and mathematics fundamentals.

These statistics may be attributed to many factors; however, major factors are alienation of the Indian community from the school, inappropriate evaluation measures, poor school attendance and inconsistent or non-existent behavioral objectives.

Supplemental Program funding may be utilized to address the above deficiencies; and should be, based upon a viable need analysis completed by local parent committee and school officials.

The present regulations provide for an educational plan to be submitted with requests for funding; however, the plans accepted tend to be very general. Need areas are not clearly defined, objectives are often unclear and written in a way that they are not measurable, and the program plans also tend to be very general. Often program evaluation is totally absent or never completed.

Perhaps a point system could be developed to determine funding and could cover the following areas with a certain number of points granted for each given area: Tribal Council Contract or resolution of support; number of Indian students serviced; need analysis; objectives (clarity and measurability); program plan; Local Indian Education Committee (elected obtaining more points than appointments); program dissemination; program evaluation; etc.

The Standing Rock Sioux Tribe requests that Johnson O'Malley supplemental program funding for schools be retained; however, assurances must be given that the local Indian community, as well as Tribal Councils, are involved in program planning, program development and planning.

This entire accountability process is a necessity to assure that funds are not being misused. The public schools could then be held accountable by the local parents and Tribal Councils, as well as by the Federal government.

Operational Support:

Currently two schools on the Standing Rock Reservation receive operational funding under Johnson O'Malley. These schools are the Smee Public School, Wakpala, South Dakota; and McIntosh Public School, McIntosh, South Dakota.

Present regulations stipulate that schools must have at least seventy percent (70%) Indian enrollment. Also, that operational support be "phased out" by the quotient of one-third each year. Operational support is to be terminated in fiscal year 1979.

Undoubtedly, there are inequities in the law governing operational support; however, on the Standing Rock Reservation operational support is essential to the mere existence of our Indian controlled schools.

The inequities of law governing operational support are evident on our own reservation. If you will note in afore-mentioned statements, the McIntosh Public School receives oeprational support. The McIntosh Public School District land acreage is composed of 35% Indian/Tribal land and has a student population composed of approximately 15% of Indian students. On the other hand, the McLaughlin School District does not receive operational support. The McLaughlin Public School District land acreage is composed of 48% of Indian/Tribal land and has a student population composed of approximately 34% of Indian students.

Presently the Smee Public School District, a totally Indian controlled school, faces an upcoming school year deficit of approximately $51,000.00. If operational support was NOT being reduced by one-third annually, this deficit would NOT be existent.

Testimony has been submitted to Congressional Sub-Committees on behalf of the Smee Public School on two occasions and is available upon request.

The Standing Rock Sioux Tribe urges the continuation of operational support funding for Indian controlled schools. The funding is absolutely necessary for continuation.

The Smee Public School is the only school in our area that is totally Indian controlled with a 95 percent Indian student population. As an Indian controlled school, it is an infancy stage.

We urge that operational support funding be retained for Indian controlled public schools, maintaining the present eligibility requirements specified in Public Law 93-638. Also a further stipulation on the composition of board membership is necessary to assure that the school IS Indian controlled. Perhaps this could be in the form of a Tribal Council resolution and/or school board membership be composed of 50 percent or greater Indian membership.

874-Impact Aid Funds:

The Standing Rock Sioux Tribe cannot propose alternatives to 874-Impact Aid monies. We do know that it must be maintained! If the current level of 874 funding was even reduced slightly, the impact upon Indian students would be devastating!

In this day and age, where "quality" is most often reflected by the "dollar", the continuance of 874 funding at the present level is absolutely essential. Only turmoil and further social/cultural conflicts would flourish.

My testimony will be very brief. The Standing Rock Sioux Tribe is requesting the following for public schools on our reservation:

1. The continuation of supplemental program funding under Johnson-O'Malley.
2. The restoration of operational support under Johnson-O'Malley for Indian-controlled schools—schools which have 70 percent or greater percentage of Indian enrollment.
3. The continuation of 874 Title I Impact Aid funding.

Our written testimony addresses the issues outlined and is submitted for the official record.

I would be happy to answer any questions the committee may have.

Before you ask me any questions I would like to make a brief statement. On our reservations we have 9 schools. The total of Indian students in these 9 schools is more than the non-Indian students. Our population is a little over 5,500, of which 59.5 percent are 21 years of age or younger, 49.7 percent are under the age of 16. So we are concerned about the schools wherever our children may choose to go.

The parents would like to see that they get the monies so they can continue with the schools.

We have a cooperative school and the honorable congressional members were there. I see one face that I have seen here. We are interested in the schools to continue at the present time for the reason that for many many years—I am going to go back a little in history—after we were taken under the government, it was always, "You learn this . . . this is good for you . . . this is what you have to learn."

Until recently, as things seemed to get broader, we now have the advisory board, the school boards, and we are beginning to learn what a free system of education means. Therefore we are interested in the curriculum and everything else. In time I am sure we will have good control of the curriculum input, not trying to capitalize on it, to fit the needs of our environment around us.

We are a land-based reservation. Our basic economy should be based on that land. But for the past six or seven years we have not had a student in agriculture. There are so many things that we have to improve and, because of our population and more school children are becoming of school age, we would like to ask for support for the schools from our reservation at this time.

Thank you. I will answer any questions you have.

Mr. **Blouin**. Thank you very much, Ms. Gabe. I will start with a few questions to Chairman Flute.

I think we established with the last panel some common ground for federal support and control by Indians of Indian education. Do you have any different approaches to it or any comments on that discussion?

Mr. **Flute**. Mr. Chairman, I was not in for the bulk of the previous panel. I came in later, probably at the tail end of some of the discussion that took place. I feel that there are many problems in terms of the provisions of Section 38 that require the local Indian education committee to have the input into the school's budget and general operation.

I do not have any problem with the law. I think the law is something that has been long needed. The problem we have is the school boards or local committees, Indian advisory committees—people have only recently been exposed to this kind of authority and we know over the years prior to 93-638 and the specific language that authorizes the creation of these boards, the Indian people were very unhappy with the method of educating their students but there was nothing they could do about it because they could not carry the vote in school board elections to be elected to the board.

They had very little input into the actual curriculum or how the school was operated. Then, all of a sudden, 93-638 came into being, and we had the authority to do this, so there is more time required for these local committees to develop a method of understanding and deciding how the school ought to be relating to Indian students.

We know that this committee and many other committees have heard probably miles and miles of testimony regarding cultural differences, poverty impact on students, etcetera. I do not think Sisseton is any exception to that rule. We have a high level of poverty and when you get into a poverty situation obviously your students, regardless of their ethnic background, are going to have special needs when it comes to education.

Indian parents have always felt that the school was not addressing those special requirements of Indian students. One of the alarming things that came to me before I began putting this testimony together was the fact that we started out the school year at Sisseton with 14 high school Indian seniors. It is my understanding we will graduate 3 of them. For some reason or other we have lost 11 of these seniors since the beginning of the school year. To me that is a problem that needs to be addressed not only by the school but also that local Indian committee, as to why we lost these students from the beginning of the school year.

It is further my understanding that these high school seniors who have dropped out are not in other schools at this time. They simply dropped out. This year they will not receive their high school diplomas.

We know that, based on reports that I received from some of my education staff, we have a serious problem with our Indian kids in reading. One of my education planners informed me that a profile he had available indicated that an Indian student in the seventh grade was only reading at a third-grade level. I think these are special problems and need to be addressed. I am not aware of them being addressed; I am not aware of any effort to make a concerted effort in trying to correct that kind of problem. I feel if a public school is going to be receiving the federal dollars to the proportion they are receiving now, there ought to be a lot of special educational programs available to correct the reading problems and probably some of the other problems Indian children have because of the differences in the culture and because of the poverty situation.

Also we should have programs in that school designed to keeping high school seniors in school.

It's my understanding also that at this point we have some 45 or 50 Indian students who have entered their freshman year this year. I would like to see the day come when we are at least graduating that many Indian students in their senior year. From the number of 40 children in the freshman year to their senior year, we probably lose 75 to 80 percent of them, and again, I feel that this is a responsibiity that is directly on the shoulders of the school board, directly on the shoulders of the local Indian Education Committee.

Mr. BLOUIN. Has that dropout rate increased over the last year or few years, remained the same or improved?

Mr. FLUTE. To be honest with you, I don't know. I would suspect that based on what I have been hearing from local committees and listening to some of the school board people and the superintendent, it appears that the dropout rate is decreasing, but I can't substantiate that. I don't know that for a fact.

Mr. BLOUIN. According to the school's dropout survey, 58 to 76, in 1969, 1970, it was 29.2 percent and 1975-76 it was 21.5 percent. It was in the early and mid-1960's around 14-15 bracket, 12 percent in 63-64. It seems like it was low, then went up and it's starting to go down again.

Can you think of anything in the last ten years that would create that kind of a pattern?

Mr. FLUTE. Not other than what I have mentioned, that there are cultural differences. We have got Indian students that are attending the school that is controlled by a non-Indian board. Up until just recently we have had no Indian teachers within the system. I think these are all factors that contribute to those kinds of percentages.

Mr. BLOUIN. You have no Indian teachers in that system?

Mr. FLUTE. I think we have a few now; we have two or three Indian teachers in the school now.

I guess another point of information, Mr. Chairman, is that Indian students really enjoy athletics, and they seem to excel in basketball, football, track, without a whole lot of concentrated training. Here again, we see very few Indian students that are participating in the sports activities, and those that we do see are excellent athletes.

I know we have a number of students who are probably better than those that are in high school now that have dropped out and are no longer playing in any of these school sports. This is another area I think is critical, because if Indian students enjoy athletics then there ought to be some effort tied in in the athletic department, and the sports activities that could be developed to keep those kids in school; but at this point I am not aware of any effort, concerted effort, to address the problems of the special needs within the school.

Mr. BLOUIN. What administrative changes in JOM would you make, if any?

Mr. FLUTE. One would be to bypass the Aberdeen area office in terms of handling the funds. I think that would be a giant stepping stone to do that.

Number two, I think a system, as I mentioned earlier, of a corps staff in the central office responsible to handle Johnson-O'Malley ought to be developed, and I think the kind of recommendation that I made in terms of a review panel, maybe independent of the Bureau of Indian Affairs staff, comprised of experts in the various areas of budgeting ought to be utilized as a review panel.

I feel that once an application process was developed, if such a process could be developed and a school was applying for assistance, that the school's plan and proposal ought to be done in conjunction with the Tribe's education board or education committee or whatever, and once approval is made of an application for Federal support, that there ought to be a direct contract between the central office, of BIA, directly, and the tribal governing body.

Mr. BLOUIN. Do you think it's possible or preferable, let's put it that way, to maintain the same kind of programs that are there today, funding programs, JOM, 874 and so on, with the tribal control, or do you think it's better to go to some kind of a Federal equalization formula that consolidates all of this, and puts money directly, or with some kind of match requirements, into the schools, again with tribal control?

Mr. FLUTE. My preference, if I were in the position, would be that this be a totally controlled Indian school operation, run by the Tribe, with the Tribe selecting the teachers and the staff that would be used in the school system for educating Indian students.

That kind of a position though, Mr. Chairman, would be a radical position in terms of the backlash from the community towards the Tribe, and I don't think that would be good for the Tribe itself, nor would it be good for the community within the school district, but it probably would be better for the Indian students. So, when you weigh the positive and the negative, I don't think the Indian people of our Tribe would be willing to go through the kind of racial backlash just to improve the education of their children.

So, somewhere down the line we have to come to a happy medium and I think that happen medium would probably be the current system of funding, as long as the State, for example, were taking a more active role in helping some of these schools out that have problems in financing, that the State take a more active role in enforcing, for example, mill levies and tax assessment values, and coming up with supportive data in terms of curriculum development.

I don't feel it's the State's responsibility to educate Indian children, but I think they have a responsibility for education in general, specifically, in a public school district. I know that the States are constantly screaming about too much Federal control and too many Federal mandates, but I think South Dakota is one State that needs a Federal mandate for their education department to become more involved in the school systems.

Mr. **Blouin**. Thank you.

I am going to have to run to a vote on the Floor. I am going to yield to Minority and Majority staff for a series of questions, and I will be back in 10 or 15 minutes.

Mr. **Bragg**. Mrs. Gabe, you are on the board or on the local Indian board of education. Are you the chairperson?

Ms. **Gabe**. Yes, sir; I am the chairperson of the Tribal Board of Education. That is reservation-wide.

Mr. **Bragg**. How is that board named or elected?

Ms. **Gabe**. We are elected to those positions by the people.

Mr. **Bragg**. On a district basis?

Ms. **Gabe**. Yes, on a district basis.

Mr. **Bragg**. You have how many members?

Ms. **Gabe**. We have 8 members.

Mr. **Bragg**. You were elected by those members as chairperson?

Ms. **Gabe**. Yes.

Mr. **Bragg**. How long have you served in that capacity?

Ms. **Gabe**. I served one term, and I don't know why they didn't hold elections, so I am still serving, and I am on my second term now.

Mr. **Bragg**. Evidently there wasn't any great push to take your spot away.

Does the group have adequate input, do you feel? Do you feel you have something to say about what is going on?

Ms. **Gabe**. I believe we have, sir. It's mostly comprised of women members, and we really went out to make sure that we are heard, and we really looked out for our Indian students as to what little authority we had, and we are one entity at our main schools, for the Yates commuity consolidated schools, that is comprised of the BIA, and the school district of that county, and our tribal board of education.

Mr. **Bragg**. Could you give us an example of some of the kinds of things you have a voice in? Do you have control over any dollars, do you veto things, do you have sign-off authority? What kinds of things do you do? How do you have input?

Ms. **Gabe**. We had worked pretty good with the BIA in the amount of dollars and changing some job descriptions. We were shocked when we found out that two or three of the cooks under Civil Service were getting far more money than some of our teachers.

I don't know why that happened, but we are in the midst of changing that. We are going to contract that to the district school district to take care of that, and we are going to take those amounts of dollars and get a few more teachers.

We have learned, sir, in a short while that this board has been created, I have learned so much, and I am really interested in it. I know all of my fellow members are too, that we can do such good things for the good of our school, but this is only the one school. We also work with some school boards and in two other districts that are BIA schools.

Mr. **Bragg**. Do any of your members serve on a public school board also or have you ever run for local school board?

Ms. **Gabe**. I haven't, sir, but the very first Johnson-O'Malley advisory board that was started at McLaughlin, I was the secretary of that board for one term.

Mr. **Bragg**. You were on a Johnson-O'Malley committee?

Ms. **Gabe** Yes.

Mr. **Bragg**. You have probably also been on some other advisory committees, Title IV or something like that?

Ms. **Gabe**. Right now our tribal board of education serves Title IV.

Mr. **Bragg**. Are there any Indians on any of the local school boards in your area?

Ms. **Gabe**. Yes, sir. In North Dakota there are, and in South Dakota there will be probably two or three people seeking office in the school boards. This is all a trend now trying to get involved in education.

We have tried several years before, but we didn't understand too much about it, and we had some setbacks.

Mr. **Bragg**. So you are now encouraging people from your reservation to run for the local school board?

Ms. **Gabe**. Yes.

Mr. **Bragg**. Are there any movements to encourage the people to vote in the school board elections?

Ms. **Gabe**. I haven't had time, sir, lately, being involved in so many things, but I am sure there is. If I said yes, I might not give you the right information.

Mr. **Bragg**. Chairman Flute, this group was elected at large. Would that be acceptable to you as a tribal chairman to have the group elected by the people or would you prefer to have a local tribal board appointed by yourself or by the Council?

What would be your preference in that?

Mr. **Flute**. Let me tell you that the Sisseton-Wahpeton Sioux Tribe, for whatever it's worth, is probably an overly democratic

Tribe. We have committees, and these committees are predominantly elected committees. The first local Indian Education Committee that serves as an advisory to the Sisseton school was pretty much appointed by a group of parents that got together and decided that certain members of that parent group should be on this committee.

The Reservation Education Board, which is different from the local committee that advises the school on matters, the Reservation Education Board, these members are elected from within the district and it's not on any great politicking kind of election. People don't file their names and campaign, and have election ballots. They serve notice to the people in a district that they are interested, and the district will kick around the names for maybe a couple of weeks or so, and then they will vote on it within a district meeting, and on my reservation we have seven districts, and I would suspect an average attendance at a district meeting is probably 20 to 25 people who come to one of these things.

So these people will then elect within a district meeting the member that will represent them from that district to the Reservation Education Board. The local committees that advise the school are selected similar to that, but from a smaller group. These are primarily the parents of children within the school.

Mr. **Bragg**. Thank you.

I will yield to the Majority.

Mr. **Lovesee**. Chairman Flute, I would like to continue a line of questioning which Congressman Blouin brought up with the preceding panel and that goes to local tax effort versus the Federal dollars that are going in. I know you have several school districts within your territory, but without going into any specifics, do you feel that the local school districts are putting in a fair local tax effort by comparison to the amount of money being put in by the Federal dollars, and if not, is there any way to remedy that situation?

Mr. **Flute**. Mr. Lovesee, I was not aware of these figures until just prior to my arrival here in Washington. I was not aware of the figures that were presented and raised to the previous panel, but if those figures are accurate then I would say that there is a very bad disparity in terms of the amount of Federal dollars coming in for Indian student versus the number of State and local tax dollars to educate a white child.

How we get around that at this point I am really not prepared to answer. I would suspect, however, that the recommendation that I made previously on mandating States to begin enforcing and assuring itself and the school district and the Tribe and the Congress from which Federal dollars for the Tribe and Indian education derive, that the equalization of this land is properly assessed, and that there is a better ratio of taxation to maintain and support the schools, and I would suspect that it would probably be on the same basis of saying if the local State and county taxes to education to a known Indian student amount to $800 a year, then the Feds ought to be coming in with $800 a year for that Indian student.

Mr. **Lovesee**. Going to the same question Congress did come up with a new plan that allowed consolidation of some of the Federal programs, especially those under tribal control. During the last 7 years, there have been some complaints of non-responsiveness on the part of the tribal education committee. Would the Tribe be able to give substantial assurances guaranteeing stable financing so that the public schools wouldn't be hurt if the Tribe had control of these funds or would they always live under the threat that if the Tribe did not like what the school board said they were going to do, the Tribe would jerk the money. That seems to be a great concern on the part of the public school officials when they talk about any type of tribal control of funds.

Mr. **Flute**. Obviously, if I were sitting in the school board position and somebody else were controlling the funds but I was operating the schools—if somebody made a threat not to give me the bucks to run the school—then I would say I am going to curtail the services I am providing to your students, and I think that is a greater threat than to the person who is controlling a third or maybe less than a third of the amount of money it takes to run that school.

Mr. **Lovesee**. Bearing in mind the Constitutional right to an education which every Indian parent could go into court to force that public school to provide, that is an ideal threat. It really doesn't hold, does it, Mr. Chairman?

Mr. **Flute**. I don't believe that any Tribe or reservation board that is the prime contractor for Johnson-O'Malley dollars would go to that extreme. I may be wrong, but I don't think that they would do this, because the people who are involved, Indian people who are involved, in their concern over education, have a very deep rooted, sincere, desire to see those Indian students educated.

I don't think that there would be any kind of a radical situation that would cause an Indian control board or whatever, that is controlling the contract, to simply tell the school we are not giving you money because we don't like the way you are treating us. I don't think they would do that. I think Indian people have never digressed to that kind of situation. There may be threats that go back and forth but in an actual showdown I don't think that would happen, because there is too much of a sincere desire to see the education of these Indian students continued.

Mr. **Lovesee**. Ms. Gabe, with respect to who has the resonsibility for educating Indians and how it is viewed by South Dakota and North Dakota because your reservation laps over.

First of all, I would like to get your impressions on where you feel the responsibility for your students lies, either with Federal or State, and perhaps some idea on what the proportion should be if it's a shared one.

Are those two States, in your opinion, picking up what they should?

Ms. **Gabe**. I will answer the first part of the question. It is a Federal responsibility for the education of our children, so established by treaties. This funding with the States, both in North and South Dakota, we do have some misunderstandings; I will put it that way.

We have some misunderstandings, but I am sure after a good hard caucus, we can overcome some of these things, because some of our people, like Mr. Flute said, are knowledgeable and they are

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dedicated in depth to the education of their children, and we did have some severe problems.

I don't know whether any of you remember at McLaughlin, South Dakota, some years back when the Johnson-O'Malley funds were first given to the schools, and we really made TV news that time, but since then I think things are going well. Our advisory board under Johnson-O'Malley at the schools are really key people, we meet with them once in a while, and I see better working relations right along.

My recommendation is, sure, I would like to see more tribal control over our funds, but do away with the area offices. That is where our money is eaten up, and that is where most of our heartaches lie. Also, in secondary education, everything, there are things committed there that we didn't have any knowledge of, and we came to Washington wondering where that happened, and it always fell back there.

I just think they are useless. I think from the central offices to our tribal level our children are really getting to be knowledgeable now. They are getting their education against all odds.

Another thing I hear at every meeting—and I am an old-timer, I am a grandmother and I lived back in the horse and buggy days—they tell us the dropout rate, sad to say that it's so true, and the percentage is so high, but the reason for that is it happened back there, when they were deprived of their good native foods, when their brains were damaged. We have been sort of milling around since, we are coming back now by knowing, but also we have to know ourselves first.

I worked in Indian curriculum for a few years too, because although I did not have the education, I believe in some principles, and I wanted to be dedicated to those principles, in hopes that my grandchildren will have a better chance in life.

When you bring out the truth it's sad, but more and more, we have to have a good economic background at home, and some work and some businesses, so we can have better food, food we like that will help us, and our children, sure, their minds will be alert. They suffered so much socially. They had nothing to eat for months at a time. A few years back before this poverty program came into being, that is where our trouble is, and although we are fractionated in some places now, especially in our law and order codes, I am sure, I see the changes take place now, and I am really enthused, and we get more people in all ages together, and we fight for more things, and I am sure we are going to have some of the most outstanding citizens who will play a good role in America.

Mr. **LOVESEE**. I think that I am going to yield over to Ms. Franklin. I can't think of anything to add.

Ms. **FRANKLIN**. We are not too familiar with how the arrangements work when you have a cooperative school, how the division of responsibility is between the BIA and the local school districts and the Tribes.

Would you describe to us how it is at Fort Yates and who is responsible for what, what the budgets are for?

Ms. **GABE**. The district school board is one entity, and they have control of their budget, and BIA, they have the money, the BIA monies, and we have the title monies, the Board of Education.

We have Title IV, we have Title I, and some other monies, we work together for the best interest of the school, and we meet about once a month together. We, one entity, will hire teachers if we have money available right then, so we wouldn't have to suffer for the shortage of a special teacher. We are really cooperating.

Now we have changed our policies, our policies and guidelines into one package.

Ms. **Franklin**. Could I break in there about the teachers because one of the things we have heard over and over again in the BIA schools is the cumbersome process of Civil Service and ability to replace teachers, and that BIA school people wait for months and months or even a year to replace a teacher.

Have you the flexibility, as I take it from what you are talking about, that now you are associated with the public school district you have that kind of flexibility, to hire or how does it work? Does BIA still control some of the hiring or is it public schools that do it or how do you do it?

Ms. **Gabe**. Albuquerque, New Mexico, they have the roster, and the procedure for getting the teachers. However, our school district, they have moneys, and they can hire a teacher at our request, immediately, and then they will be reimbursed from the BIA, but I think we have flexibility and I hope we have more flexibility as we go along, so we won't have this problem.

You must remember, this only happens in this one school.

Ms. **Franklin**. If I may just ask your personal opinion, Dr. Demmert has plans for direct funding to all BIA and Indian cotrolled schools, which will in a way bypass the area offices and agency offices and will allow school boards to develop their own budget and to provide for the needs which you think are necessary for the children. There is interest in the direct funding approach on the part of my employer, Mr. Quie, who believes that this will provide for more control at the local level. Are you familiar with this and would you be in agreement with it?

Ms. **Gabe**. I am in agreement one-hundred percent. I was at the first meeting when Dr. Demmert told us about his plans, and I feel that that is a first rate step in bettering our education.

Mr. **Lovesee**. Chairman Flute, let me ask one more question: Going back again to the series of questions asked before, you said that you had not really received the Sisseton figures until immediately prior to coming.

I have heard from someplace the statement that every Indian child in bringing in Federal dollars to districts, is, in fact, educating two other children who are non-Indian, due to the very low level of support that South Dakota puts out.

You were not here yesterday, but yesterday we had a gentleman who characterized of South Dakota as a miser from the standpoint of the funds.

I am wondering if you would comment on that or comment on this other statement, if you have ever been aware of that before? What you think of the State's contribution.

Mr. **Flute**. I guess my response to that, Mr. Lovesee, would be as tribal chairman. I have not been that actively involved in the budgetary process that takes place between the school district nor the budgetary process that takes place between the contractor, which is the reservation education board, to determine whether or not those are accurate statements.

If they are accurate statements, I would find it very hard for my tribe to support that kind of disparity. I would find it very hard for the Congress and the tribe to sit back and do nothing about mandating the state to live up to their obligations to the schools. So I would have to answer, I guess, out of ignorance, that I have not been involved that closely with these budgets and I would have to rely on people who have been. I am not familiar with Myron Jones. I have not thoroughly gone through his report. I know that Sisseton has made an in-depth response to the Myron Jones report which I read.

Mr. BLOUIN. Excuse my absence. Most of the members of this advisory panel are involved in the debate on the school lunch bill. We have about an hour before we go into the amending process, so I think we may be able to finish most of our work today before that starts.

Has the staff asked most of the questions you wanted to cover?

Ms. FRANKLIN. Yes.

Mr. BLOUIN. I would like to submit questions on behalf of the committee to, not only you people, but to the other people who have testified today and who will testify tomorrow. We will keep the record open so you have adequate time to get those questions answered. I am not going to risk being repetitive on questions. Maybe at this point it would be best to thank you folks very much for being here. Thank you for your cooperation with the subcommittee.

As with all the panelists, I commend you and ask you to continue your efforts to try to come up to solutions to Indian education.

STATEMENTS OF JOE ABEYTA, ALBUQUERQUE INDIAN SCHOOL; DAVID GIPP, DIRECTOR, UNITED TRIBES EDUCATION AND TECHNICAL CENTER; CARL McKAY, CHAIRMAN, DEVIL'S LAKE SIOUX TRIBE: AND RALPH LEPERA; DONALD CREAMER, DIRECTOR OF SPECIAL PROJECTS, BORREGO PASS CONTRACT SCHOOL; BETTY GRESS, ACTING EXECUTIVE DIRECTOR, COALITION OF INDIAN CONTROLLED SCHOOL BOARDS; MAURICE JOHN; AND MICHAEL GROSS WITH JACKSON BARNETTE OF THE MICCOSUKEE TRIBE

Mr. BLOUIN. Our next group of panelists are the remainder of our people today. These five will serve as one panel.

[The prepared testimony of Mr. Abeyta follows:]

TESTIMONY PRESENTED TO THE SUBCOMMITTEE ON EDUCATION AND LABOR

BY:

THE ALL INDIAN PUEBLO COUNCIL, INC.
MAY 18, 1977

ALBUQUERQUE INDIAN SCHOOL-EDUCATIONAL NEEDS

HISTORICAL OVERVIEW

The school began in 1881 and was located in a rural setting of approximately 90 acres. Today, the school is a part of the urban complex of metropolitan Albuquerque, New Mexico. As the physical school environment has changed, so have the characteristics of the student population. The school was educationally best known in the Southwest during the 1930's when it was a self-sufficient facility that not only operated its own farm complex, but had excellent athletic teams, cultural clubs, bands and choruses; and the students had a spirit of strength and pride in being associated with the school. The school population increased yearly, peaking at over 1,000 students in the late 1950's. Since then, enrollment has declined as the total quality of the school programs and environment has diminished.

The All Indian Pueblo Council is the elected governing body representing the 40,000 Pueblo People from the 19 Pueblo communities of New Mexico. These Pueblos are located along the Rio Grande from Taos in the north to Isleta in the south and westward to Zuni, 155 miles from Albuquerque.

Educational needs for the Pueblo People are especially critical at this time as the growth rate is approximately twice that of the general United States population. In addition, 62 percent of the total Pueblo population is between the ages of 5 and 34, a crucial time for educational and vocational training.

RENOVATION OF PRESENT BUILDINGS TO MEET MINIMUM STANDARDS

A. As an example of the Pueblo People's drive for education, the All Indian Pueblo Council, under the provisions of Public Law 93-638, has been the first Native American group under this law to contract for their own high school, the Albuquerque Indian School. (See Exhibit A)

In planning the new contract school program for next fall, it has become clear that immediate, extensive renovation of the existing facilities is needed (See Exhibit B; photos). One dormitory, presently housing young boys, was built in 1897. Two others were built in 1959 as temporary barracks for students, but are still being occupied. Because of the age of one dormitory and the temporary nature of the other two, all three are presently in very run-down conditions. The two temporary dormitories, due to crowded conditions, force six students to live in rooms designed for two. Living standards of this type cannot offer even a limited degree of physical safety nor can they promote good health. As a stop-gap measure, these dormitories must be renovated to meet immediate student needs of safety and health and minimum standards.

It would seem that the facilities on campus have been allowed to deteriorate because of a general assumption by Area Facility Management concerning the future plans for Albuquerque Indian School. "We have not included any projects under the Major Alteration and Improvement Program ...It has been our plan that a new facility be constructed at Albuquerque Indian School...A new school is high on the Bureau of Indian Affairs Construction Priority List." (March, 1977, Exhibit C).

While this assumption may be possible in the future, there are over three hundred students attending school in physical facilities that are in deplorable condition. Again, renovation of the total academic areas is needed to allow for the full implementation of the planned academic program.

Parents of present and future students and the All Indian Pueblo Council have had the normal expectation that the Indian Self-Determination Act would be supported through Congressional funds to meet the basic physical maintenance essential to operating a contract school. (See Exhibit D).

Total Amount Requested FY 1978 $2,370,672.

PLANNING AND DESIGN

B. Ultimately, it is the desire of the All Indian Pueblo Council to have a new high school constructed. In order to have a comprehensive long-range plan for a total educational program, it is necessary to develop specific objectives, short and long-range goals, and to design evaluation methodologies. In addition, most crucial to this phase of planning is the development of the educational specifications and architectural designs for the new high school.

Traditionally, architectural planning of schools totally leaves out the intended beneficiaries, namely, the students. As an innovative approach to the total educational process, we intend to incorporate architecture into our curriculum and involve the students.

An original request was made from the Bureau of Indian Affairs for $30,000 to begin implementation for planning. However, nothing ever came of this request. Therefore, we are requesting that this activity be funded.

Requested budget needed for implementation: (See Exhibit E)

Salaries (Personnel)	$ 60,000.
Contractual Services (Architectural Design)	340,000.
Supplies and materials	20,000.
Total Amount Requested Fy 1978	$420,000.

PROGRAMMATIC NEEDS FOR ALBUQUERQUE INDIAN SCHOOL

C. Additional funding is needed in order for our educational program to fully meet the responsibilities in educating Indian students. Since it is realized that start-up costs will always be more than subsequent annual operational costs, consideration of this has been reflected in our planning. However, the amount of funds actually budgeted for including start up costs, and the amount available through the Bureau of Indian Affairs, resulted in a significantly smaller budget. As it is, monies already allocated for the operation of the school have been cut. (See Exhibit G)

Therefore, the P.L. 93-638 application for the Albuquerque Indian School reflected a much reduced educational program based on available funds.

We are requesting additional funds to restore the program as was originally planned. The following shows the amounts needed. (See Exhibit F)

Salaries	$396,602.
Supplies and equipment	187,049.
Summer Program	65,136.
Training & Technical Assistance	62,510.
TOTAL AMOUNT REQUESTED FY 1978	$711,297.

DIRECT FUNDING

D. There is much concern regarding the responsibilities of: (a) Providing a sound and appropriate educational program for students at Albuquerque Indian School, on a consistent basis, with some assurance that their program will continue. (b) Providing some kind of employment security for the school staff. On the one hand, legislation allows for Indian People to exercise control of their own schools and on the other hand, because of the existing funding procedures, control is exercised only to a limited degree.

What assurances do we at Albuquerque Indian School, in trying to meet our responsibilities have, regarding funds remaining intact after going through the present funding procedures? Lack of assurances in this area could very well determine our success or failure in operating our own schools. Other tribes, for whom this will also become a major concern and who are watching the outcome very closely, will then have to determine whether they can proceed with confidence in pursuing self-determination, or if P.L. 93-638 is, again, a paper full of only empty promises.

Under the current procedures, money comes from Congress, then goes to the Office of Management and Budget, and then to the Bureau of Indian Affairs, it then goes first to the Central Office, then to the Area Office and finally, to the Albuquerque Indian School. If our allocations continue to go through this process, it is subject to alterations and deletions along the way. These alterations and deletions of the original allocation result in a much reduced program impact. (See Exhibit G)

FACT: As recently as May 12, 1977, in a meeting at the Albuquerque Area Office, in an attempt to clarify the issue of funding for the Albuquerque Indian School, and to obtain accurate information on monies available for the P.L. 93-638 Contract, Miss Freddie Innis, the Area Budget Officer, informed Mr. Joseph Abeyta, Albuquerque Indian School Superintendent, of the following:

(1) She is unable to make a definite statement regarding the Albuquerque Indian School P.L. 93-638 budget until a total statement for the entire area is prepared.

(2) She does not expect a final allocation for Albuquerque Indian School until September of 1977.

What this means is that when the entire Bureau of Indian Affairs has a cut in appropriations, the local level makes internal decisions on which programs suffer and to what extent. When decisions of this nature are made, they often pit one tribe against another within the Area; the same goes for programs. In an Area containing 22 tribes which are involved and affected by these decisions, this creates much disunity and dissension. If P.L. 93-638 has to compete for funds on this basis, with tribes, the implied political conflicts resulting do nothing to gain support for Indian Self-Determination.

In addition, the All Indian Pueblo Council, having already submitted an application under P.L. 93-638, is in a position of being unable to finalize a program and is at a distinct disadvantage in negotiating salaries with individual employees.

Compounding this problem, is the fact that after a final allocation is given to the Area, it is still subject to modification before it finally filters to the All Indian Pueblo Council for the operation of the Albuquerque Indian School. Documentation may be seen by the attached memoranda dated February 02, 1977 (Exhibit G) and May 13, 1977. (See Exhibit H). Both of these memoranda indicate that Albuquerque Indian School has had its budget cut two (2) years in succession.

Implications: The inconsistency between the tentative and the final allocation makes planning extremely difficult for obvious reasons. Plans never become finalized.

It also enforces the fear on the part of tribal groups that funding from the Bureau of Indian Affairs for P.L. 93-638 is so insecure that it is a detriment to the concept of Indian Self-Determination.

Again, Indian control cannot be a reality unless funds meant for P.L. 93-638 achieve a good measure of stability. It is suggested that part of the problem may be resolved by a funding system that by-passes the present levels of bureaucracy and makes money available to contract schools directly from the Bureau of Indian Affairs Central Office in Washington, D.C.

Therefore, we are requesting that:

(1) Monies allocated from the Congress be given directly to the All Indian Pueblo Council for the operation of the Albuquerque Indian School by whatever means feasibly and legally possible.

(2) Or, the establishment of a line item within the budget of the Central Office of the Bureau of Indian Affairs to be utilized specifically for the operation of Albuquerque Indian School by the All Indian Pueblo Council.

EXHIBIT A

ALL INDIAN PUEBLO COUNCIL, INC.

POLICY STATEMENT
ON
EDUCATION:

INDIAN CONTROL VS. SEGREGATION

In the struggle for Indian rights, many arguments have surfaced against fair treatment of Indians. When Indians wish to preserve their own resources and lands they are accused of stifling development. When they wish to develop their own resources they are accused of laying waste the environment. Often they are accused of being un-American, even though the record of Indians in the wars fought by this country has been exemplary. And they are accused of demanding favored treatment when they assert their treaty and constitutional rights to special status.

But perhaps no argument against Indians is made with as much fervor or as much potential destructiveness as the argument against their right to educate their own children. This is because schools have always been the main crucible for acculturating Indians. Opponents of Indian rights have correctly chosen this arena as a major battleground for control of Indian identity. They sense that if Indians win back the right to educate their own children, the goal of submerging Indians into mainstream white America will be threatened.

Expression of anti-Indian feeling about Indian school control takes one main tack: Indian-controlled schools, it is said, are segregated. No matter that Indians usually live in homogeneous communities geographically isolated from non-Indians or that almost every other American community cherishes its right to local school control. Never mind that the charge of discrimination often comes from the very same people who have so bungled Indian education to this point that a Special Senate Subcommittee in 1969 was forced to refer to Indian education as a "national tragedy - a national challenge". When it comes to Indians, local control of local institutions is to be denied. The fact is the segregation attack serves as a smokescreen masking baser motives. Indian children bring millions of federal dollars into public schools each year. Without these Indian dollars, many public schools would not be able to afford carpets in their libraries or fancy audio visual equipment, a circumstance documented in at least one large New Mexico school district in Natonabah v. Gallup-McKinley County School District, 355 F. Supp. 716 (D.N.M. 1973).

Indians have now begun to respond to these attacks based on segregation. Here are the main points of our position:

1. Indians are not black. To compare the kind of discrimination practiced against Blacks in this country with the Indian experience is to compare volcanoes with floods. They both produce widespread destruction, but the mechanisms are totally distinct. The fact is that Indians have not suffered from the same form of discrimination to which Blacks have been subjected. Historically, Blacks have been forcibly excluded from white society (segregated), while Indians, an aboriginal people who historically occupied the entire territory of this country and lived in separate, distinct cultural and religious communities, have been forcibly included into white society, at least to a point. They have been forced to accept white values, customs, life styles, most often by being forced to attend alien schools run by alien conquerors. The purpose has been to get rid of the Indian presence by submerging it in the mainstream.

2. This form of discrimination is called coercive assimilation and carries with it the same psychological damage of segregation, though the methods of the two are radically different. A noted educational expert has said:

> It seems to me that coercive assimilation and coercive segregation say the same thing to the individual. When you segregate him coercively you say to him, "I don't like the way you are, and I don't want to associate with you," and when you try to assimilate him coercively you say to him, "I don't like the way you are, consequently I'm going to change you whether you want to be changed or not." In these respects, at least, I think the two mechanisms produce a similar impact on the child.

(Prof. Donald A. Erickson, Univ. of Chicago, in testimony at the Wyoming hearing on school district reorganization for the Wind River Reservation, February 1974)

3. Typically, coercive assimilation uses schools. Thus in 1934 Congress passed a law making it easier to transfer Indian children from mission and federal schools to state public schools. The Johnson O'Malley Act as it was called was adopted expressly to make Indian children go to public school with whites where "side by side with the white children, (the Indian) makes more progress toward adjusting itself to a modern world than when it attends schools maintained for Indians only." (Senate Report No. 511, 73rd Congress, 2nd Session, March 30, 1934) Since 1934, two thirds of all Indian children have found their way into public schools where they are often disdainfully, even brutally, treated. The results of such integrated education according to the Special Senate Subcommittee have been appalling:

> Public schools which have been educating Indians for some time reveal by their statistics their failure in educating Indian students. (Report at 30)
>
> ...
>
> Ever since the policy of educating Indians in public schools was adopted, it was assumed that the public schools, with their integrated settings, were the best means of educating Indians. The Subcommittee's public school findings - high dropout rates, low achievement levels, anti-Indian attitudes, insensitive curriculums - raise serious doubts as to the validity of that assumption. (Ibid. at 31)

4. Studies show that the underlying problem does not arise from placing Indians and white children in the same classroom. Nor does the Indian school movement seek racial separation. Where Indians, especially in urban areas, are dispersed among the white population and have become part of

non-Indian communities, they should be treated identically to everyone else. The real problem occurs in Indian communities such as reservations where Indian parents most often do not have the same means for influencing the education of their children available to others. Again the Subcommittee's conclusions are germane:

> At the heart of the matter, educationally at least, is the relationship between the Indian community and the public school and the general powerlessness the Indian feels in regard to the education of his children. (Report at 24)

5. The principal method for depriving Indians of an equal voice in educating their children is by depriving them of an effective ballot. This occurs in two ways, either directly by sending Indians as tuition students to school districts where their parents cannot vote; or more commonly by gerrymandering Indians into larger non-Indian school districts where the Indian vote becomes so diluted, so chronically a minority, that effective representation is impossible. It is when Indian parents try to redefine these school district lines to make them square with geographic and social reality that the charge of segregation is heard the loudest.

6. Some Indian communities have managed to achieve control of their own schools with little or no controversy and with significant improvement in the education of their children. Examples include an elementary school district created in 1970 on the Rocky Boys Reservation, Montana, and a K-12 grade school district created this year for Menominee County

(Menominee Reservation), Wisconsin. In other places, Indian school districts have sprung up naturally without the need for redistricting. Examples include public school districts on the Navajo Reservation where distance alone makes it impossible to include many Navajos in off-reservation, non-Indian school districts. Finally, there are the examples of Indian-controlled federal schools which operate in many localities, including New Mexico. These schools are entirely Indian in enrollment and are sanctioned and funded directly by Congress.

7. Legally speaking, Indian tribes are quasi- sovereign entities akin to states and enjoy inherent powers of self-government. This includes the field of education. Under federal law (25 U.S.C. 231) Indian tribes have the power to control state school jurisdiction on their reservations. The quasi-sovereign powers of Indian tribes have been repeatedly confirmed by the Supreme Court, most recently in Fisher v. District Court, 47 L. ed. 2d (1976), an adoption case, in which the Court said: "The exclusive jurisdiction of the tribal court does not derive from the race of the plaintiff but rather from the quasi-sovereign status of the Northern Cheyenne Tribe under federal law." To insist that tribes give up their power to educate their own children is to deny them the right to govern themselves.

8. Also on the legal front, more and more decisions of the Supreme Court suggest that distinctions based on cultural and religious needs may not only be permissible but necessary

in certain circumstances. These decisions include:

(a) Morton v. Mancari, 417 U.S. 535 (1974), a unanimous ruling that employment preferences for Indians within the Bureau of Indian Affairs are legally permissible because they tend to foster Indian self-government.

(b) Wisconsin v. Yoder, 406 U.S. 205 (1972), an 8-1 holding that Amish children in Wisconsin could be exempted at their parents' behest from compulsory school attendance after the eighth grade because such exemptions are necessary to safeguard Amish religious freedom and community identity.

(c) Lau v. Nichols, 414 U.S. 563 (1974), a ruling that the bilingual education needs of Chinese children in San Francisco must be fulfilled under federal law and regulations, even though fulfilling those needs would mean different treatment for Chinese students.

(d) Fisher v. District Court, supra, a unanimous holding that the Northern Cheyenne Tribal Court had exclusive jurisdiction over an Indian adoption proceeding, even though exclusive tribal court jurisdiction would deprive an Indian plaintiff of access to state courts on the same basis as non-Indians.

The cumulative effect of these decisions creates an important legal principle: Treatment of Indians which promotes Indian identity, Indian self-government, Indian education, and Indian self-respect is perfectly allowable; indeed for many Indians it becomes mandatory because it (a) fulfills a federal policy promoting Indian self-government, (b) makes for more responsive education, (c) protects Indian religious rights, and (d) redresses the detrimental effects of anti-Indian discrimination which forces Indians to become white in culture and life-style.

8. Even though they have the legal power to do so, most tribes and Indian communities do not want to withdraw from state education. Instead they wish to exercise the same degree of control over their children's educations that non-Indians do. To accomplish this goal, Indian communities including New Mexico Pueblos are exploring many ways of making the political system more responsive. Where Indian communities are clearly identifiable, one way to do this is by changing school district lines. By making school districts coextensive with natural community boundaries, Indian parents are given the chance to elect representative school boards just as other American communities do. In most cases such remedies have little effect on classroom composition, for in the past most Indian elementary school children from reservations have attended predominantly Indian schools near their homes anyway, and their older brothers and sisters have been dispersed to federal Indian schools and mission schools, as well as to public schools outside their communities. One New Mexico Pueblo, Zuni, has predominantly Indian enrollments in both its elementary schools and secondary schools, yet those schools are under the distant control of a school board centered in Gallup 50 miles away.

Summary:

Indian control of Indian education is neither radical, subversive, nor discriminatory. It is simply a means for granting Indian children the same educational opportunities guaranteed other Americans. These opportunities spring from the right to control local schools, an American tradition. For historical reasons having to do with American expansionism, Indians have usually been denied this right. The Indian goal of reacquiring the power to rear their own children cannot be compared with the experience of Blacks. The two groups have different histories. While white America has discriminated against both, the forms of this discrimination have differed. Blacks have been forcibly removed from white society, while Indians, up to a point, have been forcibly placed within white society. Ostracism and forced acculturation each have devastating psychological effects, but they are as distinct from one another in form as poison is from gunpowder. In Brown v. Board of Education the Supreme Court held that discrimination based on race is forbidden by the Fourteenth Amendment and must be redressed. The fact that the discrimination practiced against Indians differs from the Black experience does not diminish the urgency of redressing its harmful effects just as thoroughly.

[Additional Appendices on File.]

STATEMENT OF JOE ABEYTA, ALBUQUERQUE INDIAN SCHOOL

Mr. ABEYTA. We appreciate the opportunity to discuss some of the difficulties and some of the problems we have with respect to our contract.

I intend to summarize our testimony and I think generally our problems have to do with, No. 1, money,and, No. 2, a lack of experience and reference on the part of both the council and the Bureau of Indian Affairs using 93-638 as the basis for our relationship and the basis for our contract.

In terms of the school that we are talking about and in respect to the school we are contracting for, the Albuquerque School is a school that was established in 1881. It has grown through the years and during the '30's it was respected as one of the finest Indian schools in the country. As I understand it, the school was a self-sufficient program. It had an agricultural program, it had a program that taught vocation on example—it had a tailor shop, it had a bakery, it had the facilities to make it a self-sufficient institution.

The school had a reputation for putting out some of the finest athletic programs in the country during this particular time. Over the years the school grew to a population or servicing population of about 1,000 students. In the late '50's, the early '60's, the school direction was changed as part of a new policy and new direction supported by the Bureau of Indian Affairs, which meant that Pueblo students were encouraged to go to public schools.

As a result of that decision, the school and its program began a gradual decline. Over the last 5 years, more specifically the council, which is made up of the 19 Pueblo governors, was continually confronted with concerns by parents and students, with concerns addressed by administrators at the school regarding the difficulty it was confronted with. In response to the concern, the council mandated its education committee to look into some possible solutions and, to make a long story short, the decision of the education commmittee and the recommendation of the education committee to the council was that it consider using Public Law 93-638 as a means of taking over control of the program.

After this decision was made, a staff was hired, and that is my role. I am involved as an employee of the council in putting together a program we hope to use as a basis for contract. As a result of these activities over the 8-month period I again am pleaed at the opportunity to discuss some of the problems we are running into.

A major problem we are confronted with has to do with the condition of the facilities at Albuquerque. I have in testimony, and as part of our Exhibit B, pictures of the facilities that we have available to us. There are pictures of some of the dormitories that were built in the 1800's that are still in use today. In our Exhibits G and F we have copies from the office that support our statement that there is a lack of funding.

The Bureau has taken the position they are not going to budget any money for major improvement and alteration of the school because they keep thinking that new construction is on the horizon. The problem we are confronted with is that we have 300 students anticipated next year and we believe they deserve a fair shake. We are in desperate need of money to support a renovation program. As I understand it, there is not any money available.

Our second problem that we are concerned about is school construction. As we have discussed our need for new school construction, we are running into a bit of a conflict because on the one hand we need money to renovate existing facilities and in the same breath we are saying we need money for new construction. We are in desperate need of new facilities and before we can get to an actual description of what those needs are we are looking for some support and again looking for dollars to support a planning effort that will give us this basis for developing a sound education program and the architectural design to go around to support our plan for program.

In addition to that, we have a variety of needs that we are not able to finance with the amount of money that is scheduled for Albuquerque for this next school year. As we understand it, as a contractor we are eligible to receive the amount of money that would normally be available to the Albuquerque Indian School as a Bureau program. The problem with that is, No. 1, the program that was provided under the Bureau is totally inadequate. I think it can be documented if you want to listen to the statistics. Nevertheless, we are saying the amount of money that was available last year was inadequate.

We are going through a brand new experience. We are running into a whole set of new costs that we put under the category of startup costs. We are beginning to do things that we have never had experience doing before. We have expenses that we have no resources to support because of the problem I have described, and that problem is we are limited to the amount of money that has been available to that program in the past.

We have had opportunity to consider and to look at Dr. Demmert's plan for direct funding. The council has gone on record in supporting Dr. Demmert's idea because of the problems that we are running into in respect to Albuquerque Indian School. The situation we are running into is that there seems to be so many hands on our appropriation that by the time it gets to us it is smaller than when it started out.

In the exhibits that we have—in Exhibit G we have a letter from the area director to the BIA Commissioner as a result of our concern. I have been to the office to resolve the problem. We were finally able to get this memorandum that shows a cut in the appropriation for Albuquerque. It also shows that the Institute of American Indian Art and the Southwestern Polytechnic Institute did not have anyone fool with their budgets. Maybe it says something for the influence they have. At any rate, we are suffering.

A couple days before I came out here I asked the area office about what they anticipated in terms of funding for our program starting this next school year. On the one hand, when we started our planning we were told we would have access to about $1.6 million. In our meeting last week they told us that they are geting around to writing us a memo telling us again there is an anticipated cut. Again in terms of a summary of the things that I have said, the problems we are running into, No. 1, money to support a program and the inconsistency in terms of the process that is available to us for getting those dollars from Congress to the council. The other problem is just lack of experience and lack of understanding on the part of the Bureau, and I admit, on our part also.

We are using a brand new piece of legislation that people have not used in the past, and therefore there is not a frame of reference. Decisions are being made; interpretations are being made. Sometimes they are made in a liberal way and sometimes in a restrictive way. For every problem we have we talk about it. We go to the solicitor's office. We call to the central office. They sit down and attempt to make decisions that are affecting us, and I consider that a very, very serious problem.

Mr. BLOUIN. Thank you.

[The prepared testimony of Mr. Gipp follows:]

TESTIMONY

Presented To:

THE SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL
EDUCATION AND THE ADVISORY STUDY GROUP ON
INDIAN EDUCATION

May 18, 1977

My name is David Gipp. I am the Executive Director of United Tribes Educational Technical Center (UTETC) at Bismarck, North Dakota. I would like to begin by thanking you for giving me an opportunity to testify today on the problems we have encountered with respect to our basic operational support, what we feel underlies these problems, and our recommendations as to how they can best be rectified. First, I will give you a brief background on the training center.

United Tribes is a unique Indian educational institution in several ways. To begin with, it is the only Indian-owned and managed residential vocational training school in the United States. United Tribes belongs to the five North Dakota reservations.

Second, although United Tribes is owned and operated by the five North Dakota reservations, two-thirds of its students are from outside of North Dakota. United Tribes student body is drawn from 24 reservations in eight states.

Third, United Tribes' mission is very specific: to provide comprehensive training to the so-called "hard-core reservation unemployed". What does this mean? Well, to cite some examples, over half of the students have spent less than six months of their lives away from the reservation; only a small fraction have had work experience in other than unskilled seasonal occupations; over two-thirds have not completed high school--indeed, most never entered.*

What do these demographic facts translate into terms of the comprehensive program developed at United Tribes since its inception in 1969? Vocational training is only part of the program. Equal emphasis is placed on developing the academic, personal and social skills needed if our graduates are to secure and hold employment.

Once admitted to United Tribes, students find themselves involved in a learning environment which is both diverse and community oriented. The entire family unit is provided housing on campus. Both husband and wife enroll in a vocational program. During the day their pre-school children are cared for in the day care center and their school age children attend the Theodore Jamerson Elementary School, a state licensed elementary school located on campus.

All classes are conducted under the principle of individualized instruction. Most students who come to United Tribes tend to be alienated from the traditional classroom setting. Thus, we provide as much personal attention as possible and allow students to proceed at their own pace.

Students who enter United Tribes without a high school diploma also attend classes in adult education, primarily to improve their reading and math skills. All students who attend these classes are encouraged to work toward GED. Approximately 90 percent of all students at United Tribes who take the GED exam pass.

Personal and social development classes are mandatory. Students attend these classes one hour each day to learn the personal and social skills they will need in order to function effectively in the outside non-reservation world. The classes range from such topics as household budgeting to home management to drivers education, and are meant to bridge the gap between an Indian and non-Indian environment.

Personal and social development classes, however, only partially address the social needs of our students. These classes, like the vocational classes, provide an opportunity to learn the skills required for daily living. Much more is needed. Our students emerge from a background of frustration and disappointment. They are profoundly handicapped by all of the cultural, emotional, and social problems engendered by severe poverty and the systematic destruction of one's culture. As a result, counseling is a major thrust at United Tribes. Not only is a program of general counseling available, special programs are available in the areas of alcohol and drug abuse. Both group and individual techniques are used and students are systematically encouraged to take advantage of a counseling program. Within the limits of our budget, the door to the counseling office is always open.

What has all this meant in terms of United Tribes accomplishments? Since the beginning of FY 1972--when comprehenive recordkeeping began--through FY 1976, United Tribes has graduated 669 students of whom 584 were placed in jobs for a highly successful placement rate of 87 percent.

On the other hand, these 623 graduates represented less than 40 percent of the students entering United Tribes during this FY 1972/1976. Better than 60 percent of the students entering the Center during this four-year period failed to complete the training program. Considering the nature of the trainee population, "hard-core reservation unemployed", this figure is not surprising. Indeed, United Tribes' record in dealing with the "hard-core" exceeds that of any other type of relocation or training program.

At the same time, however, it falls well short of our aspirations. It is my contention that the marked inadequacy of our basic operational budget is responsible for this failure. The figures which follow bear me out. As they indicate, our resources have become more limited each year since the opening of United Tribes.

Basic Operational Support

United Tribes operations were initiated in August of 1969.; During the remainder of that year and through most of 1970 the training center was in the start-up process. As such, the 1971 budget will be taken as a bench mark for budget comparisons.

In 1971 the basic operational grant to United Tribes was $1,335,000.00. Six years later, in 1977, this basic operational grant was $1,461,000.00. In terms of absolute dollars, the United Tribes budget had increased $106,000.00. In terms of real dollars--purchasing power--the budget had decreased to, at best, $875,000.00.

The reason for this is obvious. Inflation has eaten away the purchasing power of the budget dollars. Even when inflation is calculated at the very conservative average of seven percent yearly, the purchasing power of United Tribes' 1977 basic operational budget is only two-thirds of the purchasing power of the 1971 budget.

The impact of this reduction on United Tribes' ability to deliver even the same level of services has been very substantial. Staff, special programs . . . . cuts have taken place across the board. To be sure, increasing experience and, as a result, greater efficiency, has enabled United Tribes to maintain approximately the same graduation and job placement rate. Moreover, in 1976 United Tribes succeeded in establishing an indirect cost rate of 24 percent on non-capital expenditures which added approximately $340,000.00 to the 1977 FY budget, bringing it to a total of $1,810,000.00. (Of course, when we apply the correction for inflation, this $1,810,000.00 translates into just under $1,100,000.00--a figure which is still substantially below 1971.) However, even if we grant that United Tribes has succeeded in maintaining approximately the same level of services despite budget cuts, it is apparent from the dropout rate that this level was itself always wholly inadequate.

Sixty percent of students who enter United Tribes do not finish. One of the reasons they do not finish is because we are unable to provide sufficient services in areas ranging from counseling to individualized curriculum to job follow-up. No figures are available, but ask yourself, how many of those dropouts might have been completions if we could have provided counseling and curriculum experiences capable of stimulating their interest and, in turn, motivation?

No figures exist either for the human cost involved in a 60 percent dropout rate. It should be pointed out that for the majority of that 60 percent, United Tribes represented a last chance; a very large number of them were on their last placement opportunity.

In mid April, 1977, I appeared before an appropriations committee here in the House. I requested an FY 1978 operational budget of approximately $2,500,000.00 for United Tribes. It is the opinion of myself and my staff that with a budget of this size, the dropout rate could be better than halved. That is, in place of 60 percent of our students failing to graduate, somewhere between 25 to 30 percent more would graduate on a yearly basis.

$2,500,000.00 is approximately $1,000,000.00 a year more than our basic operational grant for FY 1977. (In purchasing power, of course, it is only $150,000.00 more than we received in 1971, $1,500,000.00 vs. $1,355,000.00.) But if funding, i.e., purchasing power, had been available to us from the beginning at a level comparable to our FY 1978 budget request, I estimate that we would have graduated an additional 500 to 600 students during the 1971 to 1977 period. (Needless to say, increasing experience would have played a role here also.)

What are 500 to 600 lives worth? Are they worth $10,000.00 apiece? Provided we had had the level of purchasing power we are requesting in 1978 from 1971 on, it would have been possible to have saved those 500 to 600 lives for far less than $10,000.00 apiece.

What Underlies United Tribes' Budget Problems

Implicit in what has been said above is a spectrum of problems: counseling resources are insufficient; staff is lacking; curriculum is barely sufficient; evaluation and follow-up are completely out of the question. Other specific problems could be cited but in point of fact they can all be summed up under one overriding problem: insufficient operational resources. Operational resources have been inadequate from the day United Tribes opened its doors. And not only has this situation not improved, overall operational resources are less today than they were in the beginning.

What do we feel underlies this? The answer is self-evident. When United Tribes was established, its operational funding was taken directly from the funds allocated for employment assistance at the local reservation level. In short, from the beginning, United Tribes has been thrust into a competitive position vis a vis the Employment Assistance Offices on every reservation. What we get, they lose. The impact of this, not only on relations with the individual reservations but on our efforts to increase our funding, need not be spelled out. Suffice it to say that as long as we remain in this situation, our chances of obtaining the level of support needed for UTETC to become truly effective are very remote.

And perhaps this is as it should be. Both myself and my staff have talked to Employment Assistance Offices from a number of reservations. They, too, have budget problems. And for us to expect to increase our operational resources at their expense is neither justifiable nor possible.

Recommendations

So what needs to be done? Once we recognize that our present funding places us in the competitive situation described above, and once we recognize that the added dollars we are requesting necessarily come out of local budgets, then it is apparent that the only recourse is to treat United Tirbes funding as a distinct and separate appropriation. The Local Employment Assistance Offices would continue to supply subsistence to individual trainees attending United Tribes. But United Tribes' operational budget would not be extracted from employment assistance funds. United Tribes' operational budget would be a separate appropriation.

In my opinion, this is the best way to solve our budget problems. Comment has been made about the possibility of United Tribes receiving its operational funds from some other agency in the government. We have no objection to this. But it would seem simpler to solve the problem by separately appropriating the necessary funds through the Bureau of Indian Affairs. Consequently:

* 1. We recommend to this committee that United Tribes be funded at a level sufficient to the task--and that task is a hard one. We have requested $2,500,000.00 for FY 1978.* And as I indicated earlier, it is our belief that funding at this level would increase our graduation and placement rates by at least 30 percent.

2. Supposing this belief is validated? What would need to be done then? I feel that consideration should be given to expanding United Tribes' size. That is, rather than serving 150 students annually, we should be serving 300 and, of course, we would need more than $2,500,000.00. This is why the first recommendation has been stated very broadly: "United Tribes should be funded at a level sufficient to the task." If we are able to train 300 students per year then of course our budget must be correspondingly enlarged. Give us our $2,500,000.00 in 1978 and then come out and evaluate our performance. After you have done this, let's discuss the FY 1979 budget.

3. We recommend that United Tribes' basic operational grant be provided from some other source than the Employment Assistance Program. We are not particular as to this source. But from the standpoint of simplicity and likelihood of immediate accomplishment, we feel that the best approach is through earmarking a special appropriation for United Tribes operations within the Bureau of Indian Affairs.

4. We recommend that United Tribes' annual budget should be tied to an appropriate inflation index. At some point of time, United Tribes will reach an optimal size in terms of students. Presumably, the operating budget then becomes fixed. But let us assure that it is fixed in terms of purchasing power, not dollars per se. And this can only be accomplished through tieing the budget to an index.

STATEMENT OF DAVID GIPP, DIRECTOR, UNITED TRIBES EDUCATION AND TECHNICAL CENTER, ACCOMPANIED BY CARL McKAY, CHAIRMAN, DEVILS LAKE SIOUX TRIBE, AND RALPH LePERA

Mr. Gipp. Thank you, Mr. Chairman. I have with me the Chairman of the Board of United Tribes, Mr. Carl McKay, who is also the chairman of United Tribes, and Mr. Ralph LePera, who has had some experience relating to the contract, and I would hope to be able to call upon them at a time appropriate with respect to some of the questions.

Mr. Blouin. There is no objection to that at all.

Mr. Gipp. I will keep our comments very brief and only provide at least some of the basic background on the United Tribes Educational Technical Center, which is located at Bismarck, North Dakota.

United Tribes is a unique Indian educational institution in several ways. To begin with, it is the only Indian-owned and managed residential vocational training school in the United States. United Tribes belongs to the five North Dakota reservations.

Second, although United Tribes is owned and operated by the five North Dakota reservations, two-thirds of its students are from outside of North Dakota. United Tribes student body is drawn from 24 reservations in eight states.

Third, United Tribes' mission is very specific: to provide comprehensive training to the so-called "hard-core reservation unemployed." What does this mean? Well, to cite some examples, over half of the students have spent less than six months of their lives away from the reservation; only a small fraction have had work experience in other than unskilled seasonal occupations;over two-thirds have not completed high school—indeed, most never entered.

Our summary of recommendations is that since 1971, when we were operating at approximately $1.1 million level, we have received an increase of approximately $100,000, and one of the key things in the case of the United Tribes is the need to try to keep up with the inflationary costs that have occurred for the past six years. One of the principal recommendations to this committee is that United Tribes be funded at a level sufficient to the task—and that task is a hard one. We have requested $2,500,000 for FY 1978. We believe that funding at this level would increase our graduation and placement rates by at least 30 percent.

Supposing this belief is validated? What would need to be done then? I feel that consideration should be given to expanding United Tribes' size. That is, rather than serving 150 students annually, we should be serving 300 and, of course, we would need more than $2,500,000. This is why the first recommendation has been stated very broadly: "United Tribes should be funded at a level sufficient to the task." If we are able to train 300 students per year, then of course our budget must be correspondingly enlarged. Give us our $2,500,000 in 1978 and then come out and evaluate our performance. After you have done this, let's discuss the FY 1979 budget.

We recommend that United Tribes' basic operational grant be provided from some other source than the Employment Assistance Program. We are not particular as to this source. But from the standpoint of simplicity and likelihood of immediate accomplishment, we feel that the best approach is through earmarking a special appropriation for United Tribes operations within the Bureau of Indian Affairs.

We recommend that United Tribes' annual budget should be tied to an appropriate inflation index. At some point of time, United Tribes will reach an optimal size in terms of students. Presumably, the operating budget then becomes fixed. But let us assure that it is fixed in terms of purchasing power, not dollars per se. And this can only be accomplished through tying the budget to an index.

Mr. Chairman, in sum, those are our key recommendations. There are some additional comments we would have with respect to the Bureau of Indian Affairs with respect to technical assistance and with respect to negotiations of contracts.

Mr. Blouin. Maybe we will get into some of those. Are they in your full statement?

Mr. Gipp. They are further detailed in the full statement.

Mr. Blouin. Mr. Donald Creamer, Director of Special Projects, Borrego Pass Contract School.

[The prepared testimony of Mary Helen Creamer follows:]

TESTIMONY
PRESENTED TO

THE UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON EDUCATION AND LABOR

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

"Federal support to contract schools"

by

Mary Helen Creamer, Principal
Borrego Pass School
Crownpoint, New Mexico

TESTIMONY PRESENTED TO THE UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON EDUCATION AND LABOR, SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION, HEARING ON FEDERAL SUPPORT TO CONTRACT SCHOOLS, MAY 18, 1977

BACKGROUND

Testimony has been prepared by Mary Helen Creamer, Principal of the Borrego Pass School at Crownpoint, New Mexico, concerning the peculiar charac-terisitics and problems of this School as one of the pioneer "Contract Schools" under the U.S. Bureau of Indian Affairs.

The Borrego Pass School, along with the Rock Point Community School, became the third and fourth Contract Schools in the Navajo area in the fall of 1971, four years prior to the passage of P. L. 93-638, under somewhat differing conditions. Rock Point had been a BIA Demonstration School and somewhat of a show-piece, and continued as a Contract School under the able direction of Dr. Wayne Holm, who had been its BIA Principal for some years prior to its "going contract". The community control of the Borrego Pass Day School was taken by the local School Board at a low ebb in the School's history, in order to prevent its either being closed entirely by the Bureau, or turned over to the Gallup/McKinley County Public School District. Enrollment the year prior to going contract had dropped to about 30 pupils, and did not justify the staff of three professionals, a cook and a bus driver.

Mrs. Creamer joined the staff of the School in the position of Principal in the second year of its existence as a contract school, with primary responsibility for Academic Instruction, under the direction of Mr. Kenneth Nabahe, Director and chief administrative officer. She remained in this position for two years. In FY 75 the position of Director was terminated, and Mrs. Creamer became the chief administrative officer of the school by expansion of the

Principal's duties. She has served in this position for the three years since.

Mrs. Creamer is a full blooded Navajo, reared in a traditional Navajo family, fluent in both Navajo and English. She holds a B.A. Degree from Arizona State University in Education, and Ed. M. Degree in Education, and C.A.S. certificate from Harvard University, with specializations in Bilingual Education, Curriculum and Supervision. She is currently a doctoral student at Harvard.

The Borrego Pass School is still small, and still a day school. Its enrollment of 120 students in Kindergarten through sixth grade is maintained in a peculiarly "competitive" situation. Parents in the communities served have a choice of securing their children's education through at least three other school systems:

1. Gallup/McKinley County Public Schools in the neighboring communities of Smith Lake and Crownpoint (10 and 12 miles away, respectively), both of which send buses into the Borrego Pass area to bus students out.
2. BIA Boarding School in Crownpoint (particularly attractive to parents with large families and low incomes, because it feeds and clothes the children for 9 months of the year).
3. Off-Reservation placement program of a strongly missionary-oriented religious organization which is sponsored in the community by the local Trading Post, and which offers students opportunities to live with the families of members of the particular Church in non-Navajo communities.

The parents of these students may or may not incur costs., We do not have this information .

The present program of Borrego Pass School includes 42 full-time staff members, plus part-time positions for parents instructing in Navajo Cultural areas, and parents training in skills needed to help their own children with schoolwork at home. Children are taught primarily in the Navajo language in the first three grades, and then in English, with supplementary instruction in Navajo language and culture. There is heavy emphasis upon individualization of instruction, and provision of a wide variety of curriculum resources to capture and maintain student motivation.

The school is isolated and serves a community that is geographically, linguistically and culturally isolated. Virtually all students speak and understand no English when they first enter. There are no paved roads in the area served. The school, and one or two homes located on top of Mesas, have the only TV receivers in the community. Few adults in the community attended school beyond the sixth grade, except for those who have received career-development training as school staff members. Only three of the seven School Board members speak English well enough to communicate with non-Navajo staff members without an interpreter. Only one graduated from high school.

The School Board, however, is firmly and fully in charge of the school. It sets policy, determines program emphases, decides all budget questions and issues, negotiates its own contracts with the help of staff and Legal Counsel, hires, fires and disciplines personnel, and gets out and fights for its programs, funds and the rights of its children. In many ways, the Board itself is one of the most important products of the Contract.

Because of their frustration in dealing with outside school systems to which the children must be sent when they finish the sixth grade at Borrego Pass the School Board has set an eventual goal of expanding the school to include first a Junior High and then a Senior High. This may or may not be practicable, but it clearly illustrates what "Contracting" means to the local community. Most of the problems and issues presented in this testimony appear to stem from the difference between this local perception of the meaning of "contracting" (i.e., Indian Community Control of their children's education), and what it means to various Federal Employees with whom we must deal in administering the Contract.

I. Why should the United States be interested in "Contracting" school operation to Indian communities?

Aside from the usual "social justice" arguments that past efforts by Federal State agencies to educate Indian children have failed miserably and consistently, and that Indian people have a "right" to control their "own" educational institutions with out undue "domination" by Federal officials, all of which are true; and also kind of shopworn; it seems to me that there are several clear advantages to the Government which have shown up in the actual operation of Navajo Community Controlled Schools.

A. The first of these arises out of the fact that Education and Schools are not Navajo institutions--at least in the forms that we recognize today. Neither the parents nor the children of the two communities we serve have any "natural" affinity for schooling. The school has always, in the past, been simply a part of the White Man's Way--a kind of doorway to that Way for those who are able to get through it. And also a place of frustration and failure, and much wasted time in trying to do something which seems easy for White children and very hard for ours. Too many of our children come back to the community, defeated in their efforts to join another world, and ill fitted to rejoin the traditional Navajo world, or so dissatisfied with it that they do not want to rejoin it.

For such reasons, there is little or no initial interest on the part of many Navajo parents in the academic benefits of school. Promises of future success, better employability, and so on, simply do not ring true to experience. Immediate benefits, such as school lunches, clothing, lodging and recreational opportunities are of more interest, and "education" is endured as long as the child can hang on in order to secure these benefits.

Many parents themselves avoid schools unless required to go in to keep their child enrolled. Schools hurt! They remind parents who never learned to read and write that they are somehow "deficient" in the White Man's World because of this. They threaten parents with their children's misbehaviors. And they rarely seem to understand or respect the parents' way of life, language, and values. Instead, they preach that the children must work hard in school to raise themselves up and leave all these Navajo things behind, if they can.

Parents have gotten this message, too. Past attempts to develop "community involvement" through Parent Advisory groups, or Advisory School Boards have generally foundered on "disinterest." Now members of all such groups are paid to attend, or an administrator can wait forever to get a quorum! The one current exception to this is a good example. Title I, ESEA, programs all across the reservation require PACs, but will not pay anything but documented mileage for attendance, so the only way many Title I programs meet the minimum requirements of the funding agency is simply to document the "effort" to get parents to come. Actual meetings are no longer required! On the other hand School Board memberships are regarded as attractive salaried "jobs" by many people, because of the "Per Diem" paid for attendance. Some members may attend meetings for a full year and never say a word, except to vote when it is clear that there is a consensus among the other members who do speak up.

Whereas white men, for over 200 years, have considered it vital to keep local communities in firm control of what their children are taught, how well, and by whom, grass-roots Navajo people have only rarely had the experience necessary to see that there is anything to be gained by doing so. Many Navajo area School Board members are frankly afraid of contracting. It looks like a trap in which the Bureau will simply give up trying to educate Navajo children, turn the money over to the Navajo School Boards, and then blame the School Boards when it does not work. The process of contracting is also considered hard and complicated, and the immediate benefits are available without it.

The existing Contract Schools are pioneering in solving these problems. We are literally teaching the communities we serve that schools are not just a White Man's "Thing". We can make them "Our Thing", too. We can learn to "school" children, without becoming "little White Men" to do it. We can do it in our language, from the child level right up through the School Board level. Non-English-speaking traditional Navajo School Board members *can* manage highly educated, non-Navajo-speaking staff. They *can* figure out if these people are producing or just talking big. They *can* set policy intelligently, and in keeping with community standards and expectations for appropriate behavior and relationships. They *can* develop uniquely Navajo educational programs, that do not divorce children from their parents' way of life just to teach them a few "school skills". They *can* "live with a Budget".

We *can*, and we *are*, making school a Navajo institution, instead of a foreign body in the Navajo community. And the proof of the pudding is that now, more and more, parents are not afraid of *us*. They come in, tell me which teachers, or teacher aides, are doing their jobs, and which ones are not. They watch us like hawks, talk about us in Chapter meetings, and advise relatives on the School Board about School problems. They line up for month-long "jobs" as Parent Trainees to learn how to help their own children at home. They then talk the teaching staff into teaching them to write their names, or do arithmetic, or read a little English, "on the side". And they come back again and again, each six weeks to parent-conference day, to see how their children are doing in the *educational* part of the school. Now, for the first time since we've been in business, some parents are asking for *remedial summer school* classes in reading, because they recognize that their children are still behind, and need to keep working on it.

The results of this kind of attitude change toward school will not be immediately apparent. They will continue to accrue for many years to come, in community control skills. But we already see them in many little ways. I remember talking with a Principal from a BIA school in our Agency, about his efforts to secure outdoor lighting at his school to cut down on the vandalism. This is a problem we do not have. This year the only vandalism-related repair we have had to make on our total school plant was to plug up a fist-print in the boys' restroom wall that appeared the evening of our annual Halloween carnival, when we invited the general public from all the surrounding communities. Otherwise, our own students have even learned to put their restroom graffiti on paper pads we have hung on the restroom wall for that purpose, instead of marking up the paint.

B. The second area of advantage in the Contract arrangement is that we are beginning to harness Navajo ingenuity and problemsolving in the attempt to educate Navajo children. Heretofore, everything schools attempted was somehow "imported", by staff and models developed in non-Navajo educational institutions. But there are no models for how to do many of the things we are trying to do, so Navajo people are having to develop their own. We are no longer content simply to place "equal educational opportunity" in front of our children, and to blame the child, or his home, or "the system", if he does not "take advantage" of it. Our school is manned in 80% of its positions, by the parents, aunts, uncles, grandparents, and siblings of the students themselves. If they fail, it is because we failed them, and we know it, and we will have to live with them while they pay the price for that failure. The result is an unusually "committed" and "innovative" staff, with career-development an expected part of the job. Our curriculum is almost all "adapted", or teachermade and developed. No one simply "follows the text-book" (because there are not any which really meet our needs) so we provide a wide selection, and resource specialists who advise on what to use for what needs. Teachers are denied the security of simply going through the grade-level song and dance. Sometimes we flounder about trying to handle the size of the job, without the convenience of having a Publisher and the State Department Textbook Approval Officer make most of the basic decisions for us. But what we gain is turning "employees" into educators, looking for real solutions to real children's learning problems. The best we can offer these staff members, in the way of job-security, is renewal of their employment contract each year, "subject to availability of funds". Our local staff housing capacity is minimal (it will be better next year), and several of the non-Navajo staff have had to commute from Crownpoint (25 miles a day) over unpaved, extremely rough sand and clay roads, which turn into a greasy nighmare when it rains, or thaws in winter. We understand that average turn-over in BIA schools in our area is about 30% per year. This year, including planned replacement of two "outside" people who did not fully meet the requirements of their positions, our staff turnover will be just under 7% if all of our funding is renewed.

We use a non-authoritarian team approach. Non-Navajos are hired for positions requiring native English speaking skills, or who have special expertise which Navajos are not yet able to provide . Navajos are hired for positions requiring Navajo language skills, and, whenever qualified, for other positions. Local community residents are given preference, also, because of our limited housing resources. We expect each staff member to work from his or her strengths, and to cooperate with others, both in planning and in using their strengths to supplement one's own. Specialists are expected to pass on their skills and understanding by training the "regular" staff, and by producing basic planning guides and documents for others to follow. Materials created are preserved, catalogued, and stored for later use by others. This is the basic mechanism out of which innovation occurs, in response to the needs and problems of our students.

C. Besides the community control skills, and the educational innovation we are developing, we expect to make one further contribution to the permanent capacity of the community to educate its children. When the School first contracted in 1971, and the School Board got the authority to hire staff on its own judgement, many of the staffing decisions were made on the basis of the Navajo community's need for jobs for promising but untrained people. People were hired as "teachers" who had just graduated from high school, on the strength of the argument that their ability to handle children and their Navajo language speaking skills, made them at least as well qualified to teach non-

English speaking children as any outsider who did not speak Navajo (regardless of how many Education degrees and certificates that person had). Many mistakes were made then which had to be rectified later without penalizing the Navajo employee unduly for having taken on more than he or she was prepared to handle. Adjustments were made, and requirements for formal training in preparation for positions have been re-instituted. But in the process, a whole generation of local Navajo young-adults were started, first, on GED certificate programs, and then into Associate of Arts degree programs, and now, for some, into B.A. programs in Education, all while holding jobs and contributing to the education of their own children. With the exception of one of these people who was promoted to a Teacher Trainee position this year because she was paired with a fully qualified certified Teacher in the same classroom (Kindergarten), these people are all still Teacher-Aides. They go to night-school in Crownpoint, and summer school at the University. Progress is painfully slow until they get the required 60 hours of University credit that will qualify them for entrance into the Navajo Teacher Training Program, which has reserved its resources for people who lack only two more years of having their degrees, in the (to us extremely shortsighted) interest of producing as many results in terms of "degrees earned" as possible in the shortest time possible, for purposes of impressing the Congress refunding time for their Federal funding source. But these people will get their degrees and teaching certificates, sooner or later. And they will be among the most accomplished innovative [illegible] [illegible]rs of children in the Navajo nation, because they came up through the ranks from High School Drop Out to Teacher. We expect them to be here when all of the USOE discretionary funding finally evaporates, and there are no more special programs at the school than the Bureau can finance out of its regular funds.

We do not expect this training to be easy for them, or for the school. Educating people "on the job" is costly. It takes trust, both on the part of Administration and on theirs. The School Board has to risk educational leave concessions that would be considered a "rip off" anywhere else, foregoing present services in order to reap long term benefits later, and risking that the employee will not, as soon as he or she has a certificate qualifying him/her to compete in the current seller's market for trained Navajo teachers, take a job in some less isolated, more urbanized part of the reservation in pursuit of his or her own opportunities.

The staff member also has to do some risk-taking. College degrees are scarce items in our communities. Acquiring one can put severe stresses on a marriage, particularly when the spouse is also a former High School Drop Out, and unemployed, and not all that keen about having his or her mate away on a College campus all summer every year. Costs, if not paid by the school, or by a scholarship fund, are prohibitive for a Teacher Aide who is also unemployed during the summer months. But these are the realities of a community which has never had anyone really succeed at the school game before, which is now trying to tool up to run one itself, that will give the next generation of children a better chance to go on up the ladder.

These are our special products: Community skills for making the school a Navajo institution, and supporting it as such. Harnessing Navajo ingenuity to try and succeed where non-Navajos have failed with Navajo children; And producing a whole new generation of "permanent party" Navajo educators, out of former High School Drop Outs, and High School graduates.

We also try and educate the 120 students we now have, but not without problems. We will now outline some of these problems.

II. What kinds of problems have been encountered in attempting to operate a school under the contract arrangement?

Most of the above "advantages" seem to arise out of rectifying the fact that our communities have never had their own school before. Most of the problems seem to arise out of the fact that the Bureau of Indian Affairs is equally limited in its experience of allowing Indian people to really control what have previously been BIA programs.

When Rough Rock Demonstration School in Arizona first broke the ice with their effort, the procurement contract (under which procedure the Government routinely purchases goods and services from the "private sector") was the only mechanism the Bureau had in existence to permit anyone except a direct Federal employee to perform services for which the Bureau was responsible. Rough Rock demonstrated that this could be used to purchase the services of an Indian community in operating its own school. This was the model which was followed in setting up the first "contract school" operation at Borrego Pass, Rock Point, and the other early Indian-Community-Controlled Schools. Despite the serious and far-reaching effort embodied in P. L. 93-638 to build a broad conceptual base of Indian Self-Determination and to eliminate many of the stumbling blocks and technicalities which the early contract schools encountered in the Federal procurement regulations and procedures, it is still the basic conceptual model under which we operate.

It has some surprisingly obvious flaws. Procurement is the process by which one party secures from a second party goods and services which the first party has determined are desirable. A contract is simply a mutually enforceable agreement between two parties which may be used for procurement, among many other things. The two together are an unlikely combination to use, by a procurement officer, to enable the second party to determine for themselves what goods and services are desirable to receive. And yet that is what is involved in attempting to use procurement procedures as the means of giving "self-determination" to Indian people. (It would make sense only if it were an Indian procurement contract in which the School Board employed the Contracting Officer, and the BIA were the Contractor, submitting proposals to the School Board against regulations and guidelines determined by the School Board.)

So the discrepancy between the root concept of self-determination, and the concept of Government officers securing what they require by means of an enforceable contract, is built into the contract school arrangement. It is not a fatal flaw. A contracting officer, well trained and sensitive to the responsibility of working with the Indian community, leaders, and employees, is in an excellent position to develop the kind of management skills these grass roots people have not had the opportunity to develop in the past, such as we have reviewed above.

But this discrepancy can produce a great deal of conflict and dissension, especially when Bureau officials who are not committed to the goal of cultivating Indian people's ability to manage their own affairs become involved.

A second major problem lies in the concept of a contract, as such, as a mutually enforceable agreement. The notion that the Area Office Contracting Officer can create enforceable obligations under a school contract with an Indian community which require Bureau employees in other Divisions and Branches to perform services for that Indian community, under the control of the Indian community, is an utterly new idea, and not particularly welcome in many areas of the Bureau. Bureau officials are used to setting contingencies for those "below" them in the structure, not to living up to contingencies set by these people. And in the normal Bureau structure, the local service outlets are at the lowest level, whether they are schools, or any other kind of operation. Local Principals are supposed to ask permission, and secure approvals, and defer to the "priorities" of Agency, Area Office, and Central Office officials, who after all "see the whole picture, and not just the needs of one school". Whether Indian people, at the community level, agreed with (or even knew about) these priorities, was never much of a factor before. Bureau officials respond to Budgets, Policies, Plans, Programs, Regulations, and Authorities, all delivered from above, not to people, desires, needs, and problems coming up from below. In this structure, the Contracting Officer, and the Contractor, are discordant elements, suddenly coming out of left field to demand services as a contract obligation of the Bureau to a single school now being run by someone else--someone who is not as docile and patient as the ordinary lower level Bureau employee. Lower level Bureau employees may be content that they have "done their duty" when they have "put in requisitions" for services. We are content only when the services have been delivered. Lower level Bureau employees who are not content with undelivered services must "go up through channels" with their complaints, through the very officials whose decisions have resulted in the delay of delivery. We do not have to! We can, and have, gone through our Senators and Congressmen to require explanations as to why services have not been delivered as promised. Our ability to do so is actually seen as an asset by some of the Agency level Bureau personnel, who have been unable to get services for "their" schools through channels, until we sought to secure the same for "ours" and went to bat for them as well in order to get the services for everybody at once. In terms of size, we are a mouse. But in terms of degree of freedom in pursuing the interests of our community, we can roar like an Area Director, if need be, as long as we do not abuse the privilege.

We recognize that resources are limited, and that we cannot use our new-found freedom simply to serve ourselves at the expense of the rest of the people and communities the Bureau has responsibilities to and for. But we also recognize that many of the Bureau's deficiencies are not actually the result of resource limitations. They also result from the insulation of Bureau decision makers from the consequences of their decisions, and from the natural tendencies of workers to first meet the needs closest to them (usually their own). We go above people's head to get these things rectified.

A third major problem lies in the fact that "procurement" generated the notion of contracting "any part of a Bureau program which is divisable from the remainder of the program", so that the model for what is to be done by the Indian community is *the Bureau* itself. Generous provisions have been made in regulations dealing with the "plan of operation", to allow for innovation. That is not the problem. The problem is that, as the Bureau is organized, there really is not *any* part of the Bureau program which is divisable from the remainder of the program. Cutting out a single school, as if it were a separate part of the Bureau program, makes about as much sense as transplanting a tree by cutting it off at ground level. Without our "root system", in all of the supporting services which the Bureau has centralized into the indirect-cost divisions of Administration, Finance, etc., we would be just as dead as that tree, even though we duplicate similar operations at the school as *our* indirect-cost functions, in order to support local control. And these are the services that we have the greatest difficulty in controlling.

For example, all schools have janitors, maintenance men, and utitity services. It is absurd to think of "controlling" the school if you cannot exercise some control over *these aspects* of the school, even though Principals elsewhere joke about the janitor being the one really in charge. However, long ago, in the interests of cost-efficiency, the Navajo Area centralized these functions as "maintenance and operations" in the Branch of Facilities Management of the Division of Administration of the Area Office, under the direction of an Assistant Area Director for Administration, under whom is an Area Facilities Management Officer (effectively our chief janitor and maintenance man, and paymaster for our fuel, water and sewer services, but not, for some reason, for our electricity). From the AFMO's point of view, we are *just one* of many facilities for which *he* is responsible, and our control of the facility is more of a threat to *his* budgeting and planning systems than anything else. *We* keep adding facilities that *he* has to maintain, and provide fuel and utility services for. His systems for budgeting and planning cover so many areas and needs that it takes five years to plan and implement a change, barring any of the holdups that being put on a backlog creates. By comparison, with only one school to plan and work for, we can plan a change to meet our immediate needs, go out and raise the money to cover it, and have the job done, before our request for planning services, comes up for consideration by his employees. So we are a real *emergency* in his system--a brush fire that, if not put out, could spread until he loses control of his resources entirely.

One sample of how this has actually operated should suffice. In April of 1974, we became aware that the programs we were projecting would require additional staff housing facilities on campus. We had no funds in sight to secure the housing, but under a provision of the Area Office requiring a Facilities Management survey of all utility systems prior to installation of any new structures on Navajo Area facilities, we submitted a formal request for such a survey and for approval of the addition of 10 sites for mobile home units to be added whenever we could find the funds or means to do so. It took 9 months to get an engineer out to look at our utilities, locate the general areas in which the sites were to be placed, and respond with a Xerox sketch showing these locations, and a memo saying "we find no particular objection" except that our LP Gas tank farm would need to be expanded to accomodate the extra load, and that Facilities Management had no funds to install any plumbing involved. Over the intervening years we have added these mobile home units, piece meal, but *each addition* has been the occasion of an alarmed emergency response by Area Office Facility Management personnel that we were making an "un-authorized" addition to our campus which they could not afford to have made, had not approved, and likely would not provide utility services for. In addition, we have had endless battles with Facilities Management, finally settled, we hope, by our Attorney and the Area Office solicitor over whether Facilities Management had any obligation to provide maintonance services for any facility not built under a regular BIA five-year construction program. Facilities Management's position was clearly that if the facility did not belong to the Bureau (not the Federal Government, even) as listed on the Real Property Management property list, they were not responsible for maintenance or operations for it, and would not provide the first, and would charge us at exhorbitant rates for the second. They had had all they wanted of "other" federal agencies providing facilities for their programs on BIA campuses, and expecting Facilities Management to keep them up and provide utility services to them. So any facility provided, for instance, with USOE funds, or even leased with BIA funds (with the lessor keeping title to it), was "out". And Facilities Management also reserved the right to "accept or reject" any such facility that was to be deeded over to the Bureau, as "up to BIA standards" or not, before Branch of Property and Supply could add it to the property list.

Thanks to the lawyer provided us through a central office contract with the Association for American Indian Affairs, we have solved most of these problems, with an opinion by the Area Office Solicitor that any facility "used in performance of the Contract" should be "listed" on the list of facilities for which Facility Management is responsible for maintenance and operation. However, I am sure that the AFMo does not regard this as any solution to his problem! At any rate, he is still reacting as if we had a gun to his budgetary head, as is evidenced by his most recent letter on the subject, in response to our leasing the last four mobile units of the ten, under our indirect cost budget this year, which is attached.

We have had a multiplicity of other problems with the same Branch in securing routine maintenance and repair services. This year we attempted to negotiate a procedure, as part of our contract, with representatives of Facilities Management, whereby we could at least get a response from them saying yes or no, and telling us what disposition had been made of our requests for Area Office level services, within three months of our making them. We agreed to submit a list as of the first day of our new contract July 1, 1976. They agreed to give us an answer (not do the work, just answer) by November first. We submitted the list on time. To date we still have not received an answer, although we understand indirectly that because of pressure placed upon the Contracting Officer by our Association for American Indian Affairs Lawyer threatening a breach of contract claim, the Contracting Officer has requested an answer through the Area Director and the Area Director's office now has one. The only services actually delivered, however, have been provided by our local maintenance worker, the day to day supervison of whom we contracted this year under the same contract. This arrangement, itself, appears to be a "thorn in the flesh" for Facilities Management, because it interferes with Area Office systems for controlling work done by local employees, and the AFMO is currently charging us with gross negligence of our responsibilities for local custodial, and maintenance services, in an attempt to regain day to day supervision of the employee by Facilities Management (copy also attached).

So it goes. It is an excellent example of the problems of securing indirect-cost services through the contract arrangement, under local Indian community control of a "part of a Bureau program which (otherwise seems) divisable from the remainder of the program", when the indirect-cost department of the Bureau has not yet learned how to work with Indian self-determination.

We also must deal with Bureau officials whose first inclination is to solve their own problems by "enforcement" of contract procedures, rather than to use the contract to solve the problems of Indian communities in operating their own school. Perhaps the best example of this is the process by which Contract funds are paid and accounted for. In this case we deal with Branch of Finance, Division of Administration, again under the Assistant Area Director for Administration, under whom works the Area Finance Officer.

The Bureau is not without experience in dealing with procurement contracts under regular procurement regulations. In dealing with private sector contractors, who are selling goods and services to the Bureau, the man who holds the Bureau's purse strings has a great deal of responsibility for seeing to it that the Government (Bureau) gets what it has contracted for, and his principal tool for doing so is in the approval of invoices submitted by the contractor for payment. On the other hand, the private contractor, in business for himself for profit, has operating capital resources of his own which he can call upon to generate that profit, and which he continually replaces out of profits, which enable him to meet the requirements of the Bureau's contract which he has agreed to meet, prior to payment.

It is of critical importance to recognize that an Indian community School

Board has no such resources of its own, and no means of generating them. Whatever it does in the way of operation of Bureau programs, under the contract arrangement, it must do with funds the Government has advanced to the Board for that purpose. Such advances are the only operating capital it has, other than Government facilities, equipment, etc. which the Bureau may also provide under the contract through a "use permit".

The procurement contract model, however, which is the basis for the current Indian Self-Determination mechanism, depends upon the Finance Officer's perogative to withhold funds, to assure the performance of contract provisions.

Curiously enough, we have never been threatened with withholding of contract funds for any cause having to do with the substance of the contract, that is our operation of the educational program. But we have endured continual threats to our financial solvency, by the withholding of funds, over Finance Office paperwork requirements. These are not audit issues. (In fact, I am informed by the Area Finance Officer that there is not a Certified Public Accountant in either the Area or Central Office Finance Office staffs. They depend upon periodic visits by qualified accountants from the Denver office of the Department of Interior Office of Audit and Investigation for their audit services and capacities.) The issues that hold up our funds are created by requirements established by Area Office Bookkeepers, who evidently, under the authority of the Finance Officer, can set any criterion which seems reasonable to them for the records, documentation, and back-up paperwork to be submitted with invoices, prior to the approval of the invoice for payment. In consequence our average monthly invoice is now 125 pages long and requires two hours of Xerox time just to supply the required number of copies. This criterion setting process occurs on at least three levels.

Our invoices and accompanying documentation are submitted initially to the Eastern Navajo Agency office, to the Agency Education Superintendent, who is the Contracting Officer's Representative (COR) for our Contract. He has a clerk who goes over them in detail, against her understanding of the paperwork requirements, returning them to our Business Manager for "correction" of any thing that is not, in her opinion, up to standard. When she has judged this to be in proper form, the COR "signs off" on the invoice, and it is submitted to Area Finance. Area Finance has a staff of Bookkeeping personnel, one of whom has been assigned to us, along with the other Navajo Area contract schools (I believe). She reviews the invoice and supporting documents in detail, returning them to us, through the Agency office, if she finds anything which is not, in her opinion, up to standard. Recent examples of invoices returned not approved include one in which a complete xerox copy of our check vouchers for all expenditures covered by the invoice included two checks which were not listed on the accompanying check-register ledger, because they were on the next page of the ledger, which had not also been Xeroxed. Another was returned because we submitted a list of all personnel payments made under the contract, taken off our personnel register for BIA employees, and she, in her opinion, required a list of all personnel payments made, from any source, with the non-BIA personnel crossed off.

After "approval" at the Area Finance level, the same procedure is carried out at the Central BIA Finance Office, with returns from that level coming back through Area Finanace to Agency Education, and eventually to us, for "correction".

Please do not laugh! The average turn-around time for our invoirces, from submission to receipt of payment, used to be three months. We also used to be on a strictly "cost reimbursable" basis, with a lump-sum cash advance to begin operations on, which Area Finance "recovered" by deducting it from invoices submitted for reimbursement. Had we not also had some USOE grants in those days, which provided quarterly advances for operation of their program, that we could use for operating capital while waiting for the Bureau to pay its bills to us, (a process we understood was illegal, but which we used to enable us to meet payroll and keep the school in operation anyway) we would have ended up "borrowing" months of services from our employees, many of whom are the sole support of large families, before being able to pay them. As it was, we lived under conditions of almost constant financial emergency, after the first quarter of the year.

With the passage of P. L. 93-638, and the institution of a Letter of Credit/draw-down arrangement, we believed that our major cash-flow problems due to paperwork hangups (at least) were largely ended. The Letter of Credit specifically states "This letter of credit is irrevocable to the extent that the recipient organization has obligated funds in good faith thereunder in executing the authorized Federal program in accordance with the...contract....." We understood that the arrangement meant that we would draw down the funds needed to operate the program, as needed, and pay the bills, and do the paperwork in a routine manner.

There was one hangup, however. This year we also negotiated an Indirect Cost Rate, through Interior Audit and Investigation, under which certain of our contract costs were to be designated as direct costs, documented and invoiced to the Bureau in the manner described above, and the remainder of our costs designated indirect, and invoiced solely as a percentage surcharge upon the direct costs. The percentage was to be set, as our indirect cost "rate", by Interior, and then the contract was to be modified to separate the two kinds of costs accordingly. We negotiated the rate with Interior A & I in July. However, it was not official until two things took place. First we had to be notified by Interior A & I that it was approved. And second, we had to get it made a part of the Contract itself, which in its original form included all of our costs as direct costs, subject to invoicing as direct line items, with full documentation, etc. et al. We had a choice. We could have started invoicing all costs under the July 1 form of the Contract, as direct costs, and then re-invoiced them later "split out", or we could wait until the Indirect Cost modification of the contract was completed, and invoice them properly. Informally we agreed with Area Finance that the latter process, with half the paperwork, and margin for error and confusion, was the better way. So we waited. Interior made their formal approval on November 22nd, and the contract was not modified until late January, leaving us with a backlog of six months of invoicing to do. At almost the same time, we lost a bookkeeper, leaving our Business manager the sole person to attack this mountain of paperwork, and get it through the above "triple audit" gauntlet. He began this task immediately, planning to complete one month's invoices every two weeks until caught up, i.e., by about the end of the first contract year, and approximately the same period of time it took the Bureau and Interior to get their paperwork done on the establishment of our Indirect Cost Rate. In the meantime, we continued school operations and continued to draw down funds to pay the costs, until on March 14, without notice or warning, our draw-down was returned "rejected" by the Treasury Regional Disbursing Office.

Upon investigation, we found that Area Finance had received pressure from someone in Central Finance, about "those contract schools not having submitted any invoices yet", and the Area Finance Accounting Officer had simply submitted an amendment to our Letter of Credit to Treasury, reducing the "authorized" amount to what we had already drawn down, prior to our March 14 request, effectively cutting off our operating funds. Since that date, we have had to negotiate each new increment in operating funds, as a separate issue, through the good offices of our Contracting Officer's Representative, who has "vouched" for us that we will catch up on our paperwork, on a schedule terminating in late May. We have been informed by the Area Accounting Officer that if we again get as much as a month behind, they can still cut off our funds.

Currently, the issue is timeliness of submission of invoices, only. They have not raised any questions of having to have them "approved" according to their paperwork standards by any particular date. But clearly, if they can put the financial gun to our head over the one paperwork issue, arbitrarily, and without notice, they can over any other, and we are back in the same position as we were before, with bookkeepers in the Area Office able to place their paperwork priorities above the operation of the school program at any time.

We are not sure of the validity of the Letter of Credit's assurance that it cannot be "revoked", if bookkeepers can "amend" it out of existence, and then set paperwork contingencies for piece-meal add-ons. When we questioned this, we were told that they had been told by Central office that they had the authority to do this, and that it was Area Finance"s responsibility to make sure we submitted our invoices on a timely basis, and that the Area Finance Office should have done so much sooner. The Area Finance personnel were somewhat apologetic to us about it, explaining that, after all, they had to answer to Washington if they let their work pile up on them.

We would question whether they actually have the authority to change the amount of the Letter of Credit in this fashion, without going through the Contracting Officer to change the Contract amount itself, but we literally do not know where to go to get this answered. Perhaps we will go back through the AAIA Lawyer again. But it is a shame to have to operate a school through lawyers and with needless uncertainty about our finances.

The net effect of problems of this kind, however, is that Contract School administrative personnel spend a lot of time "dropping everything" to respond to survival issues instead of running the program. We have come to accept it as just "part of the job". We are grateful that another task which has in time past diverted undue amounts of administrative time and effort from the program as such has been relieved. Thanks to the development of two and three year grant and contract procedures, subject only to availability of funds by appropriation and evidence that we are doing our jobs, we no longer have to risk the continued existence of the school every year on our proposal writing skills, and the capricious judgements of field readers, in open competition with every other educational institution that can qualify under each year's new guidelines. Our position is still far from "secure", but at least we have a lot more time to do what we proposed last year, without having it taken away by the necessity to re-propose what we want to do next year.

We do, however, have to be prepared to respond on a moment's notice to initiatives from a wide variety of sources proposing to change the rules under which we live, often with no apparent awareness of the catastrophic effects such changes may make in our world, and how fragile that world is. Currently in the mill are such sweeping changes as the following:

1. A proposal by the Director of BIA Education to erase the present system of negotiating our Contract amount and provisions with the Area Office Contracting Officer, and replace it with a combination of direct funding from the Washington level and some as yet indistinct dollars-per-student funding formula. He assures us that the formula will take into account our small size, isolation, need to compete heavily to interest outside personnel in working at the "ends of the earth", and so on. We are uneasy with it. We know we can survive under the present system. We don't know what the "bottom line" will be under his, what new problems it will create, what old problems it may complicate, and what benefits it will bring us.
2. A proposal by the Director of the Navajo Tribal Division of Education to centralize all educational systems and funding on the reservation under a successor department to his, with a single Board of Education for the whole Tribe. We are aware that the Tribe needs to gain power in relationship to the large school systems with which it must deal, the three State Departments of Education, BIA Education, and the Mission Schools. We are concerned that small Navajo controlled (already) schools do not get wiped out in this power struggle.
3. What will be, apparently, annual proposals by top Bureau officials to change the regulations for administration of P. L. 93-638, our basic

> charter, in consultation with Tribal politicians and leaders of National Indian groups, but never in consultation with us, because we are only a "Tribal organization". We have been ruled out by the "Regs" because of a bind in the political realities of the smaller Tribes, in which a Tribal organization acting independently of the Tribal Governing Body is automatically a rival political power. In a large tribe such as ours, not only is this highly improbable, but the Tribal Government is a sizeable bureaucracy, so far away from us and our problems that they cannot speak in an informed manner regarding the effects of regulation changes upon our program. So we wait for our turn until all the changes have been decided on and are printed in the Federal Register for public comment, and then rush to get together with other Indian controlled schools to analyse the consequences, so that our representatives can present our recommendations at the Congressional Hearing level.

We also have to be prepared to respond to the problems of our Federal agency fund sources, which can present unexpected threats to our survival in other ways. For example, we have just last week been notified by the Navajo Area Finance Office that they are already over-committed on their allocation of Indian Contract Support funds, by a substantial amount, and consequently have no funds to cover the Indirect Costs of our program for the July-Sept quarter, which is the first quarter of our second contract year, but the last quarter of Federal fiscal year 1977. It appears that no-one in the Bureau predicted accurately the amount of money required to cover the Indirect Costs of Indian Contracts this year, simply because, as was the case with our Contract, rates had not yet been set for many of the Contractors, and no one knew how many new Contracts would be made this first year under P. L. 93-638. As it turned out Navajo Area's allocation of these monies from Central Office was about 50% short, and some $500,000. must be found somewhere. Meanwhile, the "reserve" which Central Office kept back out of the allocations for just this kind of eventuality was totally absorbed by Alaska Area, which contracted all their schools (as we have been told). Central Office is gun-shy about coming back to Congress for a supplemental appropriation, saying that the track record on this sort of thing just isn't good this year, so they are advising Navajo Area to find the money somewhere in their Area budget, and preferably in the same "3200" account that includes Indian Contract Support. We are concerned that any funds they find for this purpose are not the result of curtailment of program in any of the other "3200" programs, in particular General Assistance upon which many older and unemployable Navajo people literally depend for survival.

However, we have learned from this that the words "subject to availability of funds" in our contract not only mean "if Congress continues to provide enough money", but also if the Bureau's fiscal experts know what they are doing and don't spend the money somewhere else. We have already moved to modify the anniversary date of our contract to coincide with the new Fiscal Year, so we won't have to face this problem again next year, and so if there aren't enough Indian Contract Support funds again another year, at least we will share the deficit equally with the other Contractors, rather than being stuck without any. Meanwhile, elimination of our Indirect Costs from the budget will wipe us out entirely (they represent 41% of our total budget, and include most of our fixed costs), so we believe that somehow the problem will be solved, even if we do have to come back to the Congress for a "supplemental".

We also have a host of more minor problems, more like those of any BIA school in our area: isolation, bad roads, limited and inadequate housing, un-drinkable water (we haul our drinking water from the Agency well in Crownpoint, 12 miles away), no funds for minor alterations and improvements in school facilities (the AFMO controls them, and we've already told you how that works), and many others. One is worthy of more detailed comment, since this Committee may be able to help solve it.

Our school buses are supplied through the GSA motor pool in Gallup, New Mexico, at GSA rates agreed to in our Contract. However, the motor pool, under general rules which GSA uses to provide vehicles to Federal programs nation-wide, has the same maintenance budgets and replacement schedules for its vehicles as any other GSA motor pool in the country does for similar vehicles. This means that our school buses, which operate over 75 miles of back country roads, constantly in either mud, or sand pits, or bouncing through chuck-holes and over wash-boards, and which never operate on pavement unless on a student field trip, or when being taken to town for repair, must cover the same 80,000 miles as GSA buses on military bases and in cities which never leave the pavement before they can be replaced.

In consequence, none of them can meet State, Insurance Company, or even common sense safety standards. They have been repeatedly re-welded back together. Safety exits have been welded shut to provide stability for the bus body. Gas tanks routinely fall off on the bus route, and drivers have learned to rope them back on to get back to school. Broken springs are simply driven on until the GSA repairman can come out and replace them. And yet crippled as they are, we hesitate to take them in for any time consuming repair because the "replacement" vehicles the motor pool provides are always worse. We used one of these on a field trip last winter, in snowy weather. It had no heater, and the engine was so low on power it could not negotiate our muddy roads, and we had children stranded at night in an isolated area, without heat or blankets, for hours while the bus driver walked several miles to get help.

We are not provided with mobile radios, although we have asked for them at contract time each year, so we have no way of knowing such an emergency is in progress. Our COR is trying to get mobile radios for his school's buses too, and they have been promised for all of us, almost a year ago now. Meanwhile, we have been "lucky" so far. The above incident is the most serious we have had to deal with. But we have our neck stuck out and we know it. Our Insurance Agent knows it, and charges us accordingly. The Bureau knows it, and says that there isn't anything they can do about it, because they are required to use GSA services, and to write our transportation budget accordingly. Now this Committee knows it, and we hope that there is some way that you can let GSA know about it that will result in a change in policy to accomodate for special needs of off-road vehicle users.

One final comment, on the plus side. The Congress creates policy, and policy develops attitudes on the part of Federal employees, over a period of time. The policy of Indian Self-Determination is still new, and some Federal employees still haven't "got the message" yet. This testimony is supposed to make some of our problems clear, so inevitably some of these employees stand out in it. But there are others who are more outstanding because of their positive attitudes, and affirmative help in working things out:

1. Our Contracting Officer, for example. He is not a pushover, and he represents the United states well. But he is eminently fair-minded,

and just as determined that the United States should live up to its contractual obligations to us, as he is that we do an effective job for the United States. His staff have followed his lead.

2. Our Contracting Officer's Representative likewise. We are able to work together with him in solving not only our own problems, but sometimes the problems of the rest of the Agency Education Program. He provides us with vital know-how and know-who about getting things done at the Area Office level.
3. And the Area Director, and members of his staff, and now (it appears) the Area Finance Officer. All have been willing to attend to solving our problems, instead of regarding us as the problem.

In a very real sense, then, we regard the critical advances that have been made as developing and changing attitudes in people, in our students, their parents, the members of our communities and School Board, and Bureau officials too. And we see the Contract School as something of a catalyst in producing these changes--a meeting ground on which Bureau people and grass roots Indian people can work together to solve problems which neither have been able to solve alone.

III. What recommendations do you have to make regarding Federal support to Contract Schools?

Contract Schools are totally dependent upon Federal funding sources for their programs. These sources include the Education budget of the Bureau of Indian Affairs, the Indian Contract Support budget of the same, Title IV of P. L. 92-380 The Indian Education Act of 1972, parts A, B, and C, Title VII ESEA The Bilingual Education Act, as subsequently amended, and Title I ESEA. We also receive funds under the Johnson O'Malley Act of 1934, as amended in

P. L. 93-638. Each of these funding sources supports an essential element of our program, and under community guidance we attempt to use each to the fullest extent as part of a total and integrated educational program.

A. We recommend that the Congress continue its full support of these programs, as each comes up in its turn for either refunding or for re-authorization. If they have "problems" in them these should be solved rather than shelve the program.

B. We further recommend that the Congress continue the recent trend toward longer funding periods, and the establishment of ongoing programs at the local level, particularly in situations such as the Contract School where the total funding of the school is Federal and apparently always will be.

C. We further recommend that the Congress not combine all of these programs for Contract Schools into a single funding source. We need the capacity to take an idea more than one place to get it funded, if necessary, in order to maintain control at the local level. A single funding source is a clear threat to that control.

D. We further recommend that the Congress take steps to assure the adequacy of funding in certain sub-categories, by whatever means is most effective, in each of the above programs:

   1. The Bureau of Indian Affairs contract with the Association for American Indian Affairs of Washington D. C. to provide legal assistance to Contract Schools in dealing with the Bureau, has been of inestimable value to us in solving problems which otherwise would have remained unsolved. Funds for continuation of such services should be earmarked as such, and no choice given as to whether they will be provided to

School Boards contracting in the future. A contract is of little value as long as the other party controls your means of enforcing it, and to date the only means we have had of doing so (aside from the character of a Contracting Officer who could be replaced tomorrow) has been the AAIA.

2. The Indian Contract Support budget item under the Bureau's "3200 Indian Services" line item. Indirect cost rates, once negotiated, are binding both ways, and adequate funds need to be assured to meet them or there is little point in talking about contracting.
3. The BIA Education budget. We do not recommend splitting contract schools out of the total education budget, as a separate line item on the Bureau's Band Analysis priority setting procedure. Once our separate indirect costs (which are not comparable with BIA school's education costs, but have come out of education funds in past years) have been budgeted separately, we should simply receive our "fair share" of the BIA's education dollar. Any other procedure turns our budget into a political football. However, we believe that the best basis upon which to judge the fair share by is probably past cost-history at each location, taken together with the direction and rate of change in the student body, and community support of the school program, to date. We are wary of per-capita formulas, at least until we can see what they would do to our total direct cost budget.
4. The Native American Curriculum Development Center budgets of the U. S. Office of Bilingual Education, which currently support a Navajo language and a Sioux curriculum development effort, need to be expanded as a matter of Congressional policy. Indian Contract Schools almost universally have adopted Bilingual Education as one of their tools for helping Indian students get a decent start into an otherwise English dominated school

system. The success of these efforts is severely limited by lack of adequate materials, and we all depend upon these Title VII Centers to supply some of these. However, they could be wiped out by "competition" from other language groups any year. Both Indian control, and continued funding and development need to be assured, if necessary by funding the current Centers independently of Title VII. Additional Centers for other major Indian language groups with sizeable numbers of native speakers of their language in the schools will undoubtedly be needed as well. Indian people need a long term commitment on this.

5. Contract Schools have become eligible for Johnson O'Malley funds under P. L. 93-638. There are those who argue that JOM was originally intended to help out the Public Schools that had large Indian enrollments and not enough tax income to pay the educational costs of these non-tax-paying students. We would point out that the funds were provided for the Indian children, and that there is a dreary history of Public Schools regarding these funds as their "own", with Indian children seeing little benefit. One of the purposes of P. L. 93-638 in recasting JOM was to assure that these funds would forever remain under control of Indian people, to prevent such abuses. Frankly, we can see few places in which this is better done than in those few schools, such as the Contract Schools, in which Indian people operate the school. We recommend that the Congress make clear its intention that Contract Schools be included for this reason.

E. We further recommend that the Congress recognize the lack of operating capital on the part of Indian School Boards, and their total dependence upon current receipts from Federal sources, as a separate and distinct problem, and deal with it as such. The Letter of Credit/draw down procedure, when it is working well, can alleviate some of the problems this lack creates, but it is not considered an adequate substitute for working capital by private Contractors doing business with the Government and holding Letters of Credit covering particular contracts. They can pay interest. We cannot, with only Federal funds to work with, so we cannot solve even short term cash flow problems as they do, by short term loans. Things do happen: draw downs are late or get rejected over technicalities, advances are held up, checks get missent, and our only recourse is to tell our creditors, and sometimes our employees, to wait until the money comes in.

We suggest that a permanent, auditable, operating capital fund, perhaps equal to one month's payroll for existing authorized Federal programs at the school, would allow us to handle almost any such emergency we have had or forsee. It could be handled accountably, be maintained in amounts proportionate to our total Federal budget, and returnable to the Treasury similarly upon cancellation or non-renewal of any of our fundings.

An alternate solution might also lie in lifting the ban on our using Federal funds to pay interest on loans taken to finance delayed income on authorized Federal programs at the school. There may be other, better ways than either of these---it is the problem we wish to commend to the Committee's attention, not any one particular solution.

F. We further recommend that the Bureau be instructed to prepare standard invoice forms for School Contracts, providing for simplified billing of legitimate contract expenditures, by Contract budget category, and that audit documentation by xerox copy not be required along with invoices, but reviewed by qualified auditors in the regular fashion, by inspection of records, files, etc.

G. We further recommend that the authority of Finance Office personnel to stop program income independently of the Contracting Officer who has issued the Contract, if it exists, be terminated. We believe it has already been sufficiently abused to demonstrate its counterproductivity. Where it is needed to control substantive compliance with contract provisions, the judgements involved are better made by the Contracting Officer, and/or his official Representative, than by Finance Office personnel.

H. We further recommend that this Committee use its influence with the General Services Administration to establish special "common sense" schedules for replacement of GSA School Buses, based upon actual condition and safety of operation, where these vehicles must operate over unpaved roads.

I wish to thank the Committee for its attention to this long recitation of our administrative prides and woes. We strongly subscribe to the notion that the best decisions can be made by those who know the effects of those decisions at the delivery end, so I am not ashamed to bring our pint-sized problems clear to the top in this manner. I feel that if anyone has a "need to know" it is the Congressman, whose opinion speaks for all of us with the force of law.

Respectfully submitted,

Mary Helen Creamer

Mary Helen Creamer, Principal
Borrego Pass School
Crownpoint, New Mexico 87313

ADDENDUM

Appearing on Mrs. Creamer's behalf, at her request and also that of the Borrego Pass School Board, is Mr. Donald Creamer, her husband and also Director of Special Projects for the School. The Creamers joined the staff of the School as a team - one of seven such husband-wife teams on the staff currently. Mrs. Creamer is clearly the "boss" in the administrative structure, but much of the administrative work of the school is done as a joint effort, so Mr. Creamer is familiar with each of the issues and recommendations in the written testimony.

Mr. Creamer has a BA from Trinity University in San Antonio, Texas, a BD from The University of Dubuque, Dubuque, Iowa, and has done extensive graduate study in Educational Psychology at Arizona State University and Elementary Education at Tufts University at Medford, Mass.

Mrs. Creamer presents her apologies for having been unable to attend these hearings in person. She had to remain at the school in order to respond to current refunding problems.

UNITED STATES GOVERNMENT

Memorandum

[illegible]-03 412-21
DATE: MAY [illegible] 1977

TO : Chief, Branch of Contracting Services

FROM : Area Facility Management Officer

SUBJECT: Trailers on site at Borrego Pass Contract School

On April 27, 1977, at 4:15 p.m., a telephone call was directed to the Maintenance and Operations Superintendent, Northwest Zone, by Mark Beckalic, Maintenance and Operations Foreman, Crownpoint Work Center. Mr. Beckalic stated that upon his visit to the Borrego Pass Contract School on this date, he had observed three house trailers, size 14' x 70', on site and in the process of being leveled by the contractor who apparently had brought the trailers to the school site. Mr. Beckalic's question was to the area of authorization for the additional trailers and hookups to the utility systems.

It is apparent that the Contract School had bought the three trailers and had a contractor deliver, set up and hook up the trailers to existing utility systems.

Since these trailers are apparently the property of the Borrego Pass Contract School, it is intended to acquire a Miscellaneous Service Agreement with the School for space rental for the three trailers and utility services.

We also wish to point out a fact that a recent evaluation of the Borrego Pass utility systems indicates that the water and lagoon systems are inadequate to handle any more input to the sewer system. This limitation will most likely cause us to terminate services to the three trailers if there is indication that the Bureau of Indian Affairs-owned facilities cannot function with the added facilities.

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MAY 10 1977
CONTRACTING
SERVICES

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

OPTIONAL FORM NO. 10
JULY 1973 EDITION
GSA FPMR (41 CFR) 101-11.6
UNITED STATES GOVERNMENT

Memorandum

TO : Chief, Branch of Contracting Services DATE: MAY 0 4 1977

FROM : Area Facility Management Officer

SUBJECT: Facility maintenance at Borrego Pass Boarding School

Facility inspections are conducted periodically at all Bureau of Indian Affairs schools by the Branch of Facility Management personnel. This year's inspection at Borrego Pass (the week of April 11, 1977) prompts me to recommend immediate termination of the contract with Borrego Pass School for facility maintenance. Termination is recommended for the following reasons:

1. Restroom facilities are not cleaned properly - very unhealthy and unsanitary situation.

2. Poisonous liquids are stored in hallways within reach of children.

3. Unorthodox electrical wiring practice - outside extension cords, exposed terminals, etc.

4. Unguarded trenches on grounds - dangerous to children.

5. General lack of maintenance.

Only about 25 percent of the maintenance worker's time is expended on maintenance items (as documented by shop orders). Other time is not accounted for. Apparently, this time is not spent on maintenance.

Day-to-day supervision of the maintenance worker is necessary for the Branch of Facility Management to correct this situation. Present contract does not provide this authority.

Maurie Rachelman

RECEIVED
MAY 4 1977
CONTRACTING
SERVICES

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

STATEMENT OF DONALD CREAMER, DIRECTOR OF SPECIAL PROJECTS, BORREGO PASS CONTRACT SCHOOL, FOR MARY HELEN CREAMER, PRINCIPAL, BORREGO PASS SCHOOL, CROWNPOINT, N. MEX.

Mr. Creamer. Mr. Chairman, in the first panel Mr. Barlow talked about the morass of Indian education, the lack of Indian involvement, the need for Indian control and Indian responsibility for educational programs. We are involved in that. I represent one very small school. I represent an almost non-Indian-speaking Navajo school board, and we are right up to our ears in self-determination. It is an extremely uncertain thrill-packed kind of experience because uncertainty is the name of the game we have to play. I remember the comment that was made a little bit later by another one of the witnesses saying we need more tribal control and we need to do away with area offices. Sometimes I have a gut-level feeling that says just that, but at the same time then we have to answer the question, who then do we deal with? We have been in the self-determination game for four years. We have managed to survive with the area office. We have managed to train some of the people in the area office as to how to survive with us, and we are not really sure that we want to have to start out with a whole new bunch of bureaucrats and try to train them because it has been a harrowing experience.

The statement was also made that the name of the game is money. We need federal support, but we need federal support in more than simply dollar terms. We need support from Congress in dealing with the bureaucracy. We have Indian control but it is imperfect control. There are elements of our program that are under the control of other people. We operate the program. They run the building. They own it. They loan it to us to use and then put strings on that use. We have the same kind of problems with facilities that Mr. Abeyta was talking about, and we are going into the fifth year of contract operation now.

We have not found one facility dollar whatever within the Bureau in that entire period of time. Instead, what we have had is a steady process of obstacle-making on the part of the Bureau, that does not want to maintain the facilities. We have leased facilities. They have fought us every step of the way in trying to get those in on the ground and setting all kinds of criteria and standards for us to meet if we are to have those facilities and refusing to do any maintenance, demanding we put in meters and pay them for everything we use in the way of water, creating all kinds of problems for us.

Still, I regard that as an educational process. It is a process of the education of people in the federal bureaucracy, federal employees in understanding, comprehending, coming to terms with a new federal policy. I think it is critical that the Congress realize when they set up contracting as they did, they put a tremendous bind in the middle of the federal system. The bureaucracy runs from the top down. Decisions are made at the top. They filter down, they are implemented at the bottom by people who do not make decisions—they implement.

When you contract with somebody at the bottom,all of a sudden you turn the whole thing upside down and they do not know how to deal with us. Control is in the hands of people who used to take orders. That creates immense problems, I am sure, for the people in the middle level of the bureaucracy. They do not like to have to live up to contract commitments that were made by a contracting officer that said he would produce services to us on demand and under our control.

It seems to me that is at the root of many of the problems we have had of trying to deal with facilities management.

I spent part of my day yesterday digging around in the Bureau offices over there, coming up with manuals on facilities management, trying to learn how we are going to deal with these people. In the process I find out they do have a discretion in the area level, apparently in what is called a minor improvement fund that could be used for almost everything we have asked for. It is not blocked off by congressional legislation from that kind of use as major alterations repairs fund. It is in the area budget if they want to use it. We have never been able to tap any of those resources.

We have also had problems dealing with the financial management of our contract as such. We were under extremely tight control by bookkeepers until this last year, when we got a letter of credit that put many of our cash-flow problems apparently in our own hands. We have now found that where they cannot cancel or void or void our letter of credit, they can modify the thing out of existence just like that. They have used this power because we got behind in invoices when we were waiting for negotiated rates to be added to our contract. They cut off our funds.

I was very impressed with the anxiety of public school officials concerned that a local education committee might cut off their JOM funds. Area office bookkeepers cut off our funds all the time at a drop of a hat, and we have no resources to deal with that kind of situation. Our staff simply are to wait until we solve the problem and get the money back before they get paid.

We are in a very vulnerable position. One of the things that we are asking in our recommendations is that the Congress consider for schools of our type and our kind of situation the provision for some kind of permanent operating capital, something that is ours, that we replace with contract funds as it is spent, so that we have a little something we can fall back on.

The public schools are concerned because for 30 percent, 40 percent, 50 pecent of their constituency they do not have tax-based land. We do not have any tax base. Our school board owns nothing. It cannot pay interest to borrow money. It has no means whatever of solving financial problems. They are out in front. They are trying to solve some of these problems. And they are vulnerable. Excuse me. Sometimes we feel sorry for ourselves.

There are a couple other issues I would like to make you aware of. The thing Mr. Abeyta raised—a question of financial uncertainty, we thought we had 3-year contracts, 3-year grants, and so on. That too appears to be somewhat of wishful thinking, in that the Rock Point School, which is now negotiating its FY '78 budget, has been informed that there is an across-the-board 20 percent cut that they are going to have to face too in their basic operation contract.

Yesterday I was over at the Office of Indian Education and was informed there that our Title IV, Part A, 3-year grants for almost all Part A grantees are going to experience anywhere from 10 to 20 percent cuts, that if the money is restored we are going to have to go back competitively again for the remaining 15 to 20 percent, whatever we got cut, and compete with all other potential grantees for those funds. The security of funding level is still not there.

The Indian people in our community are trying to learn to control their own program. They want to be responsible. They have a degree of control but they have no security within that control, so we function under a threatening situation most of the time. That is the area that we need the most help and the most support from the Congress.

Mr. BLOUIN. Thank you.

Ms. Betty L. Gress, Acting Executive Director, Coalition of Indian Controlled School Boards.

[The prepared statement of Ms. Gress follows:]

STATEMENT OF THE

COALITION OF INDIAN-CONTROLLED SCHOOL BOARDS, INC.

TO THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

IN CONJUNCTION WITH THE

ADVISORY STUDY GROUP ON INDIAN EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR

CONGRESS OF THE UNITED STATES

HOUSE OF REPRESENTATIVES

WITH RESPECT TO

OVERSIGHT HEARINGS ON INDIAN EDUCATION

ON FEDERAL "BASIC SUPPORT" TO PUBLIC SCHOOLS

MAY 18, 1977

SUBMITTED ON BEHALF OF THE COALITION
OF INDIAN-CONTROLLED SCHOOL BOARDS, INC.

BY: Betty L. Gress, Acting Executive
Director, C.I.C.S.B., Inc.

My name is Betty L. Gress and I am the Acting Director of the Coalition of Indian-Controlled School Boards, Inc.

We have over 160 member schools, who are at various points in controlling their children's educational process. Our platform - indeed our whole purpose in being - is summarized simply: To bring about greater control of Indian education by Indians. In our view, coercive assimilation - accomplished by denying Indians the right to educate their own children in the manner of other American communities - has caused this tragedy of astronomical dropout rates, low achievement scores, and untold misery for so many people. Although progress in the form of the Indian Self-Determination Act and other programs has been made, we believe there are serious flaws in the mechanisms presently existing for educating Indians. To tell you about these is our purpose in being here. We thank you for inviting us to address you. Our remarks are divided into three parts: an overview, specifics and recommendations.

I. OVERVIEW

Why should the Federal Government assume a special obligation in the area of Indian education? And what should its overall Indian education policy be? These are the two central questions surrounding Congress' role in this field.

A. The Federal Obligation to Educate Indians:

There are three cogent reasons why the Federal Government must recognize a special responsibility to Indian education. First, many treaties and executive orders expressly obligate the United States to provide educational services to particular tribes. While not every tribe has such a treaty or executive order obligation, there are approximately 118 such agreements. Second, the United States has moral and ethical obligations to educate Indians based on the fact that it is principally responsible for the abysmal condition of many Indians today. This moral and ethical obligation is, moreover, bolstered by the special status of Indians under the U. S. Constitution. Third, and most important, given the traditional and very persistent hostility of many States to Indians and the whole notion of tribal sovereignty and identity, Indians must rely on the Federal Government for this basic service. Quite simply, States are not capable of educating Indians without the vigorous involvement of Federal policy and dollars. Indian cultural integrity is essential to quality Indian education. Yet only the Federal Government can guarantee that integrity. That is the conclusion of every major Indian education study in recent years beginning with the Special Senate Subcommittee on Indian Education in 1969, which said:

> "At the heart of the matter, educationally at least, is the relationship between the Indian community and the public school and the general powerlessness tne Indian feels in regard to the education of his children."

In short, Federal dollars for Indian education remain the only means for insuring Indian involvement in Indian education.

B. Federal Indian Education Policy

The Federal responsibility toward Indian education translates into an obligation to guarantee equal educational opportunity for Indian children. For Indians, equal educational opportunity, however, means self-determination. Again, all major studies and Indians themselves confirm this conclusion. All Federal Indian education programs should thus be directed toward giving Indian communities a direct legal voice in the operation of their own schools. This is the policy announced in P.L. 93-638.

We agree with it, but fault Congress for not having extended the policy to the two-thirds of Indian children enrolled in public schools. It is to be remembered that the Indian self-determination movement sprang from grassroots Indian concern about the deplorable educational conditions facing Indian children. Right now a track record is being compiled showing what happens when Indian communities do take control of their own schools. At Ramah, Rough Rock, Rocky Boy, Wind River and elsewhere, impressive things are occurring. Dropout rates are plummetting, achievement scores are soaring, college entry rates are climbing dramatically. These schools are clearly on the right track. But while Congress has forthrightly endorsed the Federal contracting approach to Indian school control in Title I of P. L. 93-638, it has begged the entire question by its perfunctory approach to Indian education in public schools, as stated in Title II of P. L. 93-638. Therein lies a lingering conceptual inconsistency which clouds all of Indian education and Indian affairs generally.

C. The Schizophrenia of Indian Policy

First, quite illogically, since the argument is rarely made with respect to Federal Indian contract schools or to B.I.A. schools themselves, Indian control in the public school arena often sparks charges of segregation. Yet all that Indian communities are demanding is the same right to control local schools that every other American community traditionally has. In a few scattered places, the need for Indian self-determination within public school systems has been recognized. In 1970, in Montana, an Indian community called Rocky Boy was granted its own school district. And just last year, the Menominee Indian community in Wisçonsin also won its own public school district in a deconsolidation later approved by a Federal district court in Madison. This marks the first time a Federal court has given its imprimatur to the settlement of a civil rights school case by approving the creation of a separate school district for the ethnic minority involved. (See attached district court judgment and special findings of the State Appeal Board.) A legal basis justifying creation of school districts within Indian communities has been drafted by our attorney and is attached as Appendix B.

The problem of congressional ambivalence toward Indians is extremely pervasive and persistent. In the case of Indian education, it can be traced directly to the passage of two conflicting laws in 1934. The first, Johnson O'Malley, was enacted to facilitate the transfer of Indian children to public schools. It's aim was avowedly assimilationist. Just two months later, however, Congress enacted the historic Indian Reorganization Act, ending the allotment period and announcing a new Federal policy favoring restoration of tribal self-government and Indian identity. The two laws are thoroughly antagonistic in purpose and philosophy. That dichotomy has dogged Indian policy ever since. What makes matters worse is that P. L. 93-638 recodifies this schizophrenia. Title I carries forward the spirit and aim of the Indian Reorganization Act, while Title II reaffirms the Johnson O'Malley program to put Indian children into assimilationist public schools. The attempts at giving Indian parents nominal control over J.O.M. funds is not enough to overcome the acculturationist tendencies in those schools. More is needed.

It stands to reason that order and sense will never come to Indian education until this fundamental ambivalence is removed. What is needed is congressional extension of the self-determination policy to public schools. The time has come to start using those Federal dollars as levers for demanding educational control by Indian communities in public schools. Not all Indians live in viable communities like Menominee and Rocky Boy in a position to run their own schools. But where such communities exist, the Federal Government must lend its weight behind Indian efforts at seizing meaningful control. For Indians, this is the heart of their civil rights struggle for equal educational opportunity.

II. Specific Problem Areas:

The present dichotomy in Federal Indian policy, symbolized by the split personality of P. L. 93-638, has been carried over to these Federal agencies that have primary roles in Indian education, i.e. U.S.O.E. and B.I.A. Because of the policy antagonisms, each agency is characterized by administrative and structural ineffectiveness in insuring qualitative educational services for Indian people. This can best be illustrated by a discussion of specific problems on an agency by agency basis.

A. United States Office of Education:

Despite the enactment and implementation of the Title IV, Indian Education Act Program, U.S.O.E. has proven to be ineffective in increasing the quantity and quality of educational programs available to Indian children. The constituency to which it relates is the public school system. This is clearly illustrated by the fact that of the forty funding sources within U.S.O.E. under which Indian people are eligible for service benefits, approximately 85% channel their funds only through state departments of education, local educational agencies and institutions of higher education. Despite the fact that Indian people look to the remaining programs for a substantial part of their educational funding, there are few if any Indian professionals on the program staffs to make input and participate in the policy and decision-making process. (During the 1960's, a survey of the total U.S.O.E. Staff prepared by a special task force appointed by the United States Commission of Education, Sidney Marland, revealed that Native Americans made up less than 1% of the overall U.S.O.E. labor force.)

What is deceptive about the United States Office of Education is that it has projected an impression that the Office of Indian Education is representative of the posture of the agency as a whole towards Indian people. This is far from accurate. The original Title IV Act charged N.A.C.I.E. with reporting to the Secretary of H.E.W. on all programs in U.S.O.E. serving Indians. However, annual reports of the National Advisory Council on Indian Education underscore a tension between N.A.C.I.E. and U.S.O.E. programs. (In a recent survey conducted in U.S.O.E., of the forty programs surveyed that claimed to provide services benefitting Indian people, 81% indicated they did not utilize N.A.C.I.E. as a resource in designing, implementing or monitoring services to Indians.)

The Indian Education Act has given visibility to Indian concerns through the creation of a Deputy Commissioner position and Office of Indian Education. In the absence of adequate program funding and participation of Indian people in decision making at the grassroots and agency levels, however, the end result is the entrapment of Indian professionals in their own bureaucratic structure, not the creating of a viable mechanism for input for local Indian tribes and communities.

B. Bureau of Indian Affairs:

Despite a shift in policy in the Bureau of Indian Affairs in recent years through the Nixon statement on self-determination and the Indian Self-Determination Act, P. L. 93-638, B.I.A. is equally deficient in providing education services to Indian people, though for different reasons. From the early 1960's onward, reports by congressional select subcommittees and private foundations (i.e. an Even Chance) identified abuses and misappropriations of funds intended to benefit Indian children. Through various law suits and pressure from Indian tribes and organizations, the Bureau was forced to take remedial steps. In 1975 regulations were promulgated for use of J.O.M. Funds, referred to in Indian country as the "Red regs". They were intended to give Indian communities greater control over application of J.O.M. Funds and insure fiscal accountability by schools receiving J.O.M. Funds. The enactment of P. L. 93-638 the following year marked one step further towards community control by creating legal authority for communities to contract for their J.O.M. Funds.

The conceptual basis of 93-638 clearly encourages increased participation by the Indian community in the design and implementation of responsive educational programs. However, in the absence of administrative adjustments within B.I.A., it is another promise that falls short of fulfillment. First of all, it compels the Bureau to handle a volume of contracts and grants that it lacks the administrative experience and in-house capabilities of other agencies such as U.S.O.E. to handle. In addition, it has forced tribes and communities opting to contract to allocate a disproportionate share of limited staff resources to a complex and time-consuming negotiation process for which the Bureau provides little or no technical assistance. In requiring that contracts pass from agency to area office to central office for review and approval, funding is bogged down by bureaucratic red tape and delay.

The central problem, however, in terms of B.I.A. control of P. L. 93-638 contracting is its decentralized structure. No attempt has been made to reform the Bureau's structure to accomodate the new policy. In particular, area offices still run the show. Until this decentralized structure is replaced with direct central office direction of P. L. 93-638 contracting, there will be no full scale implementation of self-determination. Agency and area office personnel are the ones who feel most threatened by self-determination. They fear for their jobs. And although P. L. 93-638 contains provisions for civil service personnel, many B.I.A. employees have been reported as hostile to the Act. Instances have been frequent enough to be considered significant in how B.I.A. employees have actually attempted to dissuade Indian communities from exercising their perogatives under the law.

Structure is not the only problem of B.I.A. The Bureau has also narrowly interpreted self-determination for its own interests. It has attempted to restrict contracting to tribes or tribally-sanctioned enterprises, citing tribal sovereignty as justification. In truth, self-determination arose as a grassroots Indian movement based on the idea that Indian communities control their own programs. Tribes are not always synonymous with communities. And while it is true that P. L. 93-638 speaks in terms of mandating contracts when requested by tribes, it does not bar contracts under other authorities, such as Johnson O'Malley, where tribes are silent. It is important to restore this discretionary contracting authority to guard against tribal abuse of its P. L. 93-638 powers.

C. Conclusion:

A consequence of the deficiencies in program administration and structure within both U.S.O.E. and B.I.A. has been to create dissension within Indian communities by pitting communities and their organizations against the tribes. U.S.O.E., for example, in its efforts to attain community involvement ignores tribal councils and their education committees to deal directly with community and parent advisory committees. B.I.A., on the other hand, requires tribal endorsement of every community proposal to contract. In the interest of responsive and relevant education for Indian children, there is a need for a mechanism that gives equal emphasis to tribal and community control. As the laws are presently drafted and implemented, however, they do not promote this balance.

Overlay and Duplication in Funding:

Concern is frequently expressed by congressional committees and the Office of Management and Budget that funding provided by the major sources of funding in Indian education overlaps and duplicates services at the local level. While it is true that programs such as Title I, Title IV, and J.O.M. are similar as to legislative intent, they do not generally buy the same services for the same students at the local school level. This is apparent from a brief review of the major pieces of education legislation under which Indians are eligible for benefits:

-P. L. 874: Impact Aid

Impact Aid monies go only to those local educational agencies whose ability to raise revenues at the local level is reduced by the presence of tax-exempt lands within the school district, i.e. federal military bases, national parks and Indian reservations. These funds go directly into the local educational agencies' general fund where they may account for as much as 60% of the school's operating budget. B.I.A. day and boarding schools and Coalition contract schools are not eligible for these funds.

-P. L. 815: School Construction

Funds are also available to local educational agencies for school construction in areas financially impacted by the presence of federal activities or the presence of Indian trust lands. Under this program, eligibility for funding required that a school district attain a high priority ranking based on number of unhoused students divided by the total number of students enrolled in the school. Consequently, except where public school districts coincide with Indian communities, the combined constraints of limited appropriations and low priority scores of public school districts serving Indian children insures that few if any will receive school construction funding. B.I.A. day and boarding schools and contract schools are not eligible for funding under P. L. 815.

-E.S.E.A. - Title I: Education Assistance for the Disadvantaged

This legislation provides grants to states and to B.I.A. for compensatory education to meet the special educational needs of disadvantaged children. Data on the number of eligible school children is provided to each state department of education by its subordinate school districts. Once funding is approved by U.S.O.E., it is targeted into those school districts designated as target areas by the state educational agencies. It is not unusual for a S.D.E. to target Title I monies into school districts in which minority students other than Indians are concentrated. Although provision is made under Title I for a set aside of funds to B.I.A., the B.I.A. tends to program the money for teacher aides in the B.I.A. day and boarding schools. B.I.A. contract schools are also eligible for these funds but must work through the area office to secure them--a tedious negotiating process that requires compliance with intricate regulations.

-Title IV: The Indian Education Act of 1975

The only program within U.S.O.E. that explicitly authorizes fundings solely for the purpose of meeting the special educational needs of Indian people is Title IV. Under the different parts of the legislation, it authorizes (i) entitlements to Lea's on the basis of their Indian enrollments; (ii) grants to Indian tribes and organizations to meet the special education needs of Indian children and; (iii) grants to Indian tribes and organizations to meet the special educational needs of Indian adults. Title IV also contains a set aside for the Indian-controlled schools under Part A of the Act where they are referred to as non-Leas. The funding level is set by a percentage of the total Part A appropriations. This results in funding amounting to a high of 3.2 million dollars to allocate among approximately forty eligible schools.

-Johnson O'Malley

This legislation provides funds only for those tribes that are recognized by the Department of the Interior--a narrower definition of eligibility than that applied by the Title IV program. Amended by P. L. 93-638 in order to eliminate prior abuses in use of funds and to insure increased Indian involvement in deciding how the funds are to be spent, J.O.M. has been used for both basic foundation program and special educational needs of Indian children up to the present time. J.O.M. and P.L. 874 serve together as the principal federal funding vehicles for transferring Indian children to public schools. To understand how all these funds function on the school district level, one must first understand the economic context in which many of the recipient schools function. They are rural school districts with little or no resources to raise real revenues. They receive limited funds from state revenues, if they are public schools controlled by Indian school boards, and none if they are B.I.A. contract schools. In order to piece together a budget that meets minimal operational costs, i.e. administration, food costs, maintenance and operations, transportation, and staff salaries, they must pull together funding from numerous federal sources. Once these essential costs are paid out, the schools are left with a high of 3% to a low of less than 1% of the operational budget to spend for health services, remedial instruction, extra-curricular activities and bilingual/bicultural instruction. (See Attachment).

These services are usually provided by organizing Title I, Title IV and J.O.M. funds to carry a proportionate share of the cost. Because the entitlement per student under each of these programs is so low, it may be necessary for the school to apply funds from all three sources in order to serve all children in need of the special services. For example, an audit of a school may list Title I, Title IV and J.O.M., as all providing remedial instruction for 45 grade-school children--an obvious overlap or duplication. In reality, what has happened is that no one source of funding is adequate to bear the cost of the program so one-third of the cost is allocated to Title I, one-third to Title IV and one-third to J.O.M. Each child is not benefitting from all three funding sources. Rather, each funding source is being targeted to pay for services for a portion of total eligible students. What this points to is a pattern of slight-of-hand financial management in which funds must be shifted among cost categories as sources of funding are reduced and grants are not renewed from one fiscal year to the next.

Problems of Contract Schools:

The most critical problem faced by the Indian-controlled schools is that of attaining guaranteed basic funding. Those schools that are a part of the public school system are rewarded with state revenues for meeting the minimum requirements of designated pupil/teacher ratios; facilities resources (i.e., library), minimal building safety and health standards; scope of curricular offerings and scope of program, (i.e. K-6, 7-8, 9-12). Contract schools, in contrast, do not have any single source of funding that insures they include each of these components in the basic foundation program. The result is twofold. First, sources of funding for supplemental services actually must be used to provide the basic foundation program in contract schools for lack of an adequate financial base. Secondly, what contract schools are able to offer as the minimum basic program is more narrowly defined (because of financial constraints) than that offered through the public school system.

In order to resolve the problems outlines above, the following issues must be dealt with. First, adequate data on school finance must be collected that adequately reflects the financial needs of the contract schools. Any effort to alter the existing funding structure for contract schools must be formulated in a manner that reflects the diversity of financial needs among the contract schools yet insures equity funding. This will not be achieved by legislative amendment alone.

If these schools are to achieve financial stability and continuity, then certain problems must be attacked at the administration level. More specifically, a unit must be created within B.I.A. that has the skills and experiences necessary to efficiently manage contracting under P. L. 93-638. A policy must be formulated and implemented at the agency level to compel area offices to cooperate and facilitate contracting for educational services by tribes and communities. Finally, the existing fiscal cycle must be re-evaluated in terms of getting funds to schools in a timely manner. At present, funds are often obligated too late for schools to contract highly qualified staff or to make determinations on retaining or extending staff. Where the agency's management of funds is based on a purely administrative rationale, (i.e. allocation of computer time) adjustments should be made by the agency to coordinate its activities in processing funding to the funding and fiscal management cycle of the local school district.

Problems of Public Schools:

Studies conducted by congressional subcommittees, federal agencies, and private foundations underscore the fact that Indian control of education is based on more than a desire to maintain the uniqueness of culture and language. Indian control provides a viable educational alternative to Indian children who have been ignored, rejected or discriminated against by the mainstream educational system. Whatever the reasoning of the public school system, it has attempted to prepare Indian children for their roles as adults while ignoring or rejecting the community in which such roles will be assumed. This is manifested by the absence of Indian people on public school boards, the indifference of school curriculum and personnel to the needs of Indian students, and the absence of Indian professionals on the staff. The end result has been a hostile learning environment that inhibits rather than enhances the educational process and frequently pushes Indian students out of the school system.

All this suggests that public schools are not the best vehicle for educating Indians, unless very carefully monitored by the federal government. Ultimately, Indian education in public schools run by Indian communities is a constructive alternative to 100% federal schools now represented by the B.I.A. school system and contract schools. As part of the state system, Indian communities can gain certain benefits - particularly in the form of state aid for operation and construction of schools. But these benefits are now subordinated to the destructive assimilation programs now conducted in most public school systems.

III. School Construction

There is a critical need to construct schools in Indian communities. The backlog is greater than usually estimated. Because of coercive assimilation, many Indian communities have been deprived of local school facilities, especially high schools. This is because they have traditionally been forced to send their children to boarding schools or off-reservation public schools. Self-determination means nothing without the physical structues needed for practicing it. Thus, P. L. 93-638, while of unique importance in terms of policy, must be augmented by significant appropriations for school construction. We recommend that these appropriations be made directly to the Indian communities involved, either through the existing authority of P. L. 815, where Indian-controlled school districts exist, or through P. L. 93-638. (The B.I.A. is resisting application of P. L. 93-638 to construction. If necessary, then, an amendment specifically authorizing construction contracts with tribes and tribal organizations is in order. The Ramah Navajo School has successfully built its own school by means of a direct appropriation from Congress, and that principle should be extended.) In our view, self-determination is the answer to the B.I.A. construction program mismanagement exposed recently by the House Appropriations Committee.

Recommendations:

1. That congress mandate a school finance study of Indian-controlled schools to determine costs of basic operation for a curricular program based on minimum standards set by the state and the community.
2. Extend self-determination to Indians in public schools -
   - Amend P. L. 93-638, Title II, so as to condition receipt of federal funds by public school districts on assurance that all means have been taken in accordance with Indian community's wishes to accord the community maximum feasible control of its children's education, including where practical, the creation of separate Indian school districts.
3. Force the B.I.A. to reorganize its internal structure -
   - Amend Title I of P. L. 93-638 to take contracting control away from area offices and put it in central office -
   - Consolidate the B.I.A.'s education office in Washington and give it Line Authority (by bringing Indian Education Resources Center to Washington).
4. Extend due process protections to grassroots Indians dealing with tribes on self-determination matters -
   - Amend Title I to specifically guarantee rights of notice, hearing and rational basis to Indian groups petitioning for self-determination contracts.
5. Appropriate school construction funds to place school facilities

in Indian communities -

-In making these appropriations, ensure so far as possible that construction funds go directly to the Indian communities involved, either through P. L. 815 in the case of public school districts controlled by Indian communities, or through P. L. 93-638. If necessary, amend P. L. 93-638 to authorize construction contracts with tribes and tribal organizations.

6. The present J.O.M. regulations ear marking Johnson O'Malley for special educational needs must be retained, public school districts, except those controlled by Indian communities, must not be allowed to use federal funds for general operating funds outside the framework of special plans for Indian education.

[Appendices and Supporting Documents on File With Subcommittee.]

STATEMENT OF BETTY GRESS, ACTING EXECUTIVE DIRECTOR, COALITION OF INDIAN CONTROLLED SCHOOL BOARDS, ACCOMPANIED BY MAURICE JOHN, MEMBER OF THE EXECUTIVE BOARD, AND MICHAEL GROSS, ATTORNEY

Ms. GRESS. Mr. Chairman, I would like to introduce two additional members who are with me, Maurice John, who is a member of our executive board; he is a Seneca from New York; and Mr. Michael Gross, who is our attorney. He has participated in the development of the coalition itself as well as many of the schools that are members of the coalition.

My name is Betty L. Gress and I am the Acting Director of the Coalition of Indian-Controlled School Boards, Inc.

We have over 160 member schools who are at various points in controlling their children's educational process. Our platform—indeed our whole purpose in being—is summarized simply: To bring about greater control of Indian education by Indians. In our view, coercive assimilation—accomplished by denying Indians the right to educate their own children in the manner of other American comunities—has caused this tragedy of astronomical dropout rates, low achievement scores, and untold misery for so many people.

Although progress in the form of the Indian Self-Determination Act and other programs has been made, we believe there are serious flaws in the mechanisms presently existing for education Indians. To tell you about these is our purpose in being here. We thank you for inviting us to address you. Our remarks are divided into three parts: an overview, specifics, and recommendations.

In the overview we asked why should the Federal Government assume a special obligation in Indian education? Their answer simply is because nobody else but the Federal Government can guarantee equal educational opportunity to Indians.

What should the Federal policy be in terms of Indian education? Self-determination should be the policy which has been extended to Indians in Federal schools, but one of the flaws we see is it has not been extended to the two-thirds Indian enrollment that is now in public schools.

USOE, in getting to specifics—USOE has not been responsive to Indian education, and is public school oriented. The BIA is seeking to maintain its own power base over Indian affairs but ignores to address the needs of Indian communities with regard to educating their children, and they defer this directly to the tribal councils and not to community control.

We have addressed the issue; some of our schools, the ones that have taken over control by petitioning the State for an Indian controlled school district, have been accused of segregation. We would like to address this issue, and at this time I would like to ask Mr. John to speak to that.

Mr. JOHN. Mr. Chairman, I would like to bring out the point about integration of Indian education in public schools. As early as 1846 New York State has worried and cared for Indian education in the State of New York. It has passed laws. It is one of the very few States, although it's not a Public Law 280 State, it has addressed that Indian education needs by passing laws for Indians, and taking care of their needs as far as education.

I would like to read from one of their reports, and this was published in 1969: "As early as 1913 annual reports of the education of Indians voiced the opinion that Indian children should attend white schools. The annual report for the year ending July 31, 1915 states it is a good educational policy to have Indian children in school with white children whenever it is possible to do so.

"This mingling of Indian and white children is of great benefit to Indian pupils in learning the language and customs of the people with whom they must live in business and social relations".

Although I do not fully disagree with the statement, it caused conflicts within our committee. We have great needs that are not addressed by the public school systems. We do not have the input. At this time I would like to read from a report from a Senate Subcommittee dated 1969, and it deals with this.

"Ever since the policy of educating Indians in public schools was adopted, it was assumed that the public schools with their integrated settings were the best means of educating the Indians. The subcommittee's public school findings, high dropout rates, low achievement levels, anti-Indian attitudes, incentive curriculums, raised serious doubts as to the validity of that assumption."

In essence, I would just like to say that especially in New York State we have the full spectrum of Indian education nationally represented by the Polish and Indian controlled school boards. At New York State we are at the opposite end of the spectrum. We have been under the influence of public schools longer, I would say, than any native American Tribe in the whole country. We have been under the influence of the non-Indian and at this time we are now ready to make progress; we are now ready to make input. We feel that we would like to make input into the school system.

Because of state laws, because we have three school boards on our reservation, we have two reservations and out of three school boards we have two school board members in New York State, they elected school board members. Therefore, we feel we do not have the reputation, we do not have the input necessary to generate a constructive Indian program. We are so far behind other Indian Tribes we would not like to be neglected, but what I am trying to say is I feel in order to make JOM successful, in order to make Title IV successful, there has to be the basic Indian input; there have to be Indian educators, and Indians have to be heard. That is all I have.

Ms. **Gress**. From that I would like to go into just saying we feel that segregation—that is not a racial question in our schools—it's a question of who is controlling the school or not. There are community control efforts in the school system. That is the way we view the segregation issue.

In recommendations we are asking that Congress mandate a school financed study of our Indian controlled schools.

Secondly, extend self-determination to Indians in public schools.

Third, to force the BIA to reorganize its internal structure.

Fourth, to extend due process protection to grassroots Indians, dealing with Tribes on self-determination matters.

Five, appropriate school construction funds to place school facilities in Indian communities, and six, to present JOM regulations earmarking Johnson-O'Malley educational needs just be retained in public school districts, except those controlled by Indian communities must not be allowed to use Federal funds for general operating funds outside of the framework of special plans for Indians.

That concludes our statement.

Mr. **Blouin**. Mr. Jackson Barnette?

[The prepared testimony of Mr. Maus submitted by Mr. Barnette follows:]

FEDERAL SUPPORT TO INDIAN CONTRACT SCHOOLS

TESTIMONY

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

OF THE

HOUSE COMMITTEE ON EDUCATION AND LABOR

IN CONJUNCTION WITH THE

ADVISORY STUDY GROUP ON INDIAN EDUCATION

BY

CYRIN F. MAUS,

GRANTS AND CONTRACTS DIRECTOR

FOR THE

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA

We are eager to present our views on the question of federal funding to contract schools. We want the voice of Indian communities to be heard in matters that affect them.

The Indians of the United States sense important changes taking place. There is a new administration in the White House and we don't know how President Carter is going to act in our regard. We sense also, a changing climate in the country. People seem less interested in "causes". A pro-Indian sentiment, based on a sense of national guilt, has improved the lot of Native Americans over the last five or six years. But now, almost imperceptively, we sense that a reaction is setting in and some of our gains may begin to be eroded.

So, we are anxious to have our opinions asked for. We are happy to have the chance to influence you in the decisions you have to make on governmental systems.

Our testimony will deal with the question of federal funding of Indian contract schools in four steps:

1) Moral-Legal Basis of Federal Funding
2) Analysis of the Existing System
3) Our Reaction to Proposed Alternatives
4) A Proposal of Our Own

1. The Moral-Legal Basis of Federal Funding of Indian Education

The federal government supports the education of Indians for reasons different from those that justify its aid to children lacking equal educational opportunity to those in need of compensatory programs or to school districts impacted with large numbers of military dependents. In the case of Indian children, the federal government pays the education bill because of obligations incurred, one feels a need to repeat and insist on this, because there are still well informed, highly placed persons who in perfectly good faith, consider Indians as simply another minority.

The United States owes Indians an education because of treaties legally entered into in the case of those tribes who have signed treaties and because of the moral equivalent of formal treaties in the case of tribes, like the Miccosukees, which have never signed a treaty. Most Americans pay for the education of their children through taxes placed on their real property. All Americans support Indian schools because they would not have the property to tax it they had not taken it from the Indians in the first place.

The trust responsibility of the federal government exists, therefore, without regard to equal educational opportunity, to the need of compensatory assistance or even to the paucity of revenues in a period of cyclic recession. In other words, the obligation of the United States in this area must be treated in the federal budget as an unavoidable expense, like interest on the national debt and not as a program which can be cut if it does not demonstrate effectiveness.

There is, furthermore, a government-to-government relationship between the United States and federally recognized tribes. Each of the tribes of native Americans possessed its own language, culture and leadership and authority systems before contact with Americans. The Congress of the United States recognized this in resorting to the instrumentality of treaties in coming to agreements with tribes or groups of tribes.

Congress again recognized this government-to-government relationship in Public Law 93-638, which grarantees Indian Self-Determination, specifically through the "effective and meaningful participation by the Indian people in the planning, conduct and administration of educational programs and services". The right to self-determination is inherent in the status of a self-governing unit such as is found in federally recognized tribes.

In brief, then, the first principles which must be kept in mind in any discussion of federal funding of Indian tribal schools is that the support is morally and legally by way of a national obligation or a part of the federal trust responsibility. Likewise, Indian tribes are inherently self-governing and have rights to self-determination recognized by Congress which characterizes relationships between them and the federal government as government-to-government relationships.

2. Analysis of the Existing System

As is well known by members of this subcommittee, contract schools currently are funded on an annual basis in the amounts determined in general by the Bureau of Indian Affairs' Band Analysis" as negotiated with BIA officials. In the case of the Miccosukee Indian School, these negotiations take place with the Eastern Area Office. Thus, three characteristics of the system determine its impact on the Miccosukee's community school:

a) funding is through annual contracts;

b) funding levels are established in the Band Analysis; and

c) contracts are renegotiated yearly at the Area level.

This funding system, in the prespective of Miccosukee, seems both advantageous in certain respects and disadvantageous in other respects.

A. Annual Contracting

The Miccosukee Tribe began contracting in 1971, long before P.L. 93-638, through the instrumentality of the non-profit Miccosukee Corporation chartered by the Miccosukee Business Council. The Tribe, with several other Indian communities, in effect demonstrated the workability of self-determination as eventually enacted in P.L. 93-638.

From 1971 through fiscal year 1976, the Miccosukee Contract was authorized by the "Buy Indian Act" and, while of indefinite term, was subject to annual renegotiations of budget amounts, which became modifications to the existing contract.

The current contract was executed under the authority of the Self-Determination Act and is for a three-year term, but annual budgets are sugject to availability of funds and to agreements reached in the annual negotiations.

A unique aspect of the Miccosukee contract is that it contains not only education, but also six other Bureau programs. Thus, under 638, savings in a particular year could be used to increase services offered under the contract, presumably even in activities other than those in which the savings are realized.

The present system offers both advantages and disadvantages. The advantage of annual renegotiation of budget amounts is that the agreement reached has the practical effect of a contract guaranteeing a definite amount for the year that tribal planning can bank on. The major disadvantage in annual renegotial is that long-term funding is still subject to that uncontrollable "availability of funds". It is perhaps unrealistic to expect a federal guarantee of adequate funding, given the past experience of the United States Indian policies, but the moral-legal basis of federal funding of Indian schools should ideally be sufficient to offer Indians a firm expectation of support for fundamental services.

B. Band Analysis

The second aspect of the present system of funding is its incremental nature, which is for better or worse fed to the BIA's program for budgeting projections called the "Band Analysis.

One of the chief difficulties with the "band" is that it is so esoteric in its programming that few people in the Bureau seem adequately to understand it or able to control it by patently rational means. One pictures a BIA Director Frankenstein in an occluded office in Albuquerque whose monstrous brainchild responds only to his own tinkering on a computer.

Seriously, however, the "band" method of projecting allotments has proven both advantageous and disadvantageous to Miccosukee.

The primary benefit of living under the "band" is that it has proven to be truly "incremental" in the sense that funding has remained constant and predictable over the past five or six years. In fact, most elements in the yearly budgets have increased, and have even substantially kept pace with rates of inflation.

There are two major disadvantages to the band, however. The first should be one of concern to all taxpayers and seems pandemic in all budget systems which are incremental: one quickly learns to "protect the base", even at the risk of wasting money.

Two years ago, the Miccosukee Indian School's budget was prepared with an eye to developing savings to be used elsewhere in the contract. Where the band projection allotted $145,400 to the "education" element, Miccosukee budgeted for only $140,900. Three or four months later, Miccosukee came in for a modification of the contract to use the additional $4,500 to conduct a comprehensive needs assessment in the area of education. The banded amount for this current year was, however, cut by $4,500. In effect, the base had been cut. The only explanation anyone could suggest was that our attempt to economize had in effect only penalized us.

Hopefully, this situation will change when the 638 provision of the present contract allowing savings in the contract to be reprogrammed is acted upon. But unless somebody does something to control the computer, it could presumably continue to happen no matter what language is put into contracts.

The second even greater disadvantage to the existing system of banded programs and tribal allotments is that there doesn't seem to be a way to introduce new programs into a tribal contract without sacrifice of an existing one. When Miccosukee first began to contract, the Bureau did not provide annual services in secondary edcuation, in law enforcement, in housing improvement or in social services at the Miccosukee agency. To this day, some six years later, Miccosukee still does not have these programs, which it has either started or would like to start, in the band analysis. To run the programs, the Tribe must spend inordinate amounts of time and money to seek non-bureau funds or to manipulate the system so that funds for the next year can be assured. Certainly, the Tribe could reduce service in one area of its contract to provide assured funding for another new program. But is is obviously absurd to sacrifice elementary or adult education programs for a high school program or a commercial enterprise development program for a social services program.

C. Area Level Negotiations

Finally, the system currently in existence requires annual negotiation of budgets under contract with staff of the Area

Director's office.

In the cases of some tribes, this arrangement reported it disadvantages. The director of the BIA's Office of Indian Education programs at a recent meeting of the executive committee of the National Tribal Chairmen's Association referred to instances west of the Mississippi in which area staffing of educational specialists had, through a kind of perverse "Peter Principle", become a matter of pushing unsuccessful agency superintendents upstairs to the area level. Also, the additional level of bureaucratic sign-off authority represented both by agency and area personnel seems in many cases to render negotiations difficult, cumbersome and subject to excessive caprice and other irrational factors.

For Miccosukee, relationships with the area office have become increasingly productive and of benefit to the Tribe. At first, in the early 1970's, the Area office was suspicious of contracting and at times may even have been obstructive. But, as Miccosukee both gained in experience and demonstrated the capacity to run its own programs, the Tribe-Area relationship increased in familiarity, efficiency and mutual respect Area personnel could rely increasingly on the Tribe's reputation of integrity and resourcefulness, while the Tribe learned to respect the Area's properly adversary role once its own sense of dependency was overcome. The advantage as far as funding is concerned is that Miccosukee has fared well at the Area's office, since (in an almost classic "performance" approach to budgeting) the Area has seen fit to bet some of its discretionary funds on a tribe which has shown results in the past.

Admittedly, with an inevitable change of incumbents, the mutually advantageous relationship could deteriorate into one marked with capricious or scape-goating behavior on either side. So that another system could conceivably be devised which is less prone to non-rational forces.

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In summation, the present system is characterized by annual contracting of amounts projected by the band analysis as negotiated with the Area Director and his staff. This system has proven advantageous to the Miccosukee Tribe for three reasons:

1) in the annual contracting aspect, it assures a fixed amount annually which is not subject to change once negotiated;
2) in its incremental aspect, it has provided stability and predictability and even healthy increments from year to year;
3) in its administrative structure, it has been the occasion of the development of a productive relationship with the Area Office.

Disadvantages to the system do not outweigh advantages as far as the Tribe is concerned. Disadvantages are that:

1) long-term contracts remain dependent on annual appropriations in spite of the federal responsibility for Indian education;

2) incrementalism leads to wastefulness;
3) the banded approach to budget projects makes it almost impossible to introduce new programs, and
4) the intrusion of many layers of administrative structures between the Tribe and the federal government may not always assure of a rational conduct of affairs

3. Our Reaction to Proposed Alternatives

There are two major alternatives to the existing system which, to our knowledge, are currently being considered: a) the quite specific concept drafted by the Central Office of Indian Education Programs of the Bureau of Indian Affairs. It may be described as a direct-funding, a formula-funding and a phased-release funding concept, and b) the other is general and seems to include BIA programs and contract schools in its conception. It is the "zero-based budgeting" approach newly proposed by the Carter administration through the Office of Management and Budget (OMB).

A. The Central Office Concept

Direct Funding

As submitted for Tribal review, the concept devised by the Office of Indian Education Programs was in response to a mandate to the Central Office from the Senate Committee on Appropriations. (Report No. 94-991, June 25, 1975) "The Bureau is directed to develop a system to allow for direct funding of BIA Schools from the Central Office to the schools".

Given the generally favorable outcomes of the Miccosukees' transactions with the Eastern Area Office reported earlier, we feel distrustful of having to relate to a central office which may have over 200 schools to deal with rather than a a dozen or so. Fewer levels of intervening bureaucracies also most often render relationship excessively formalistic, inflexable and encumbered with more detailed systems of accountability to deal with the need to check upon activities of persons with whom one is less familiar.

The concept of *direct* funding seems to relate more to the matter of allowing greater autonomy of Indian communities by building in local sign-off on disbursements. But, in the case of a contract tribe such as Miccosukee, this local sign-off is already present. So, direct funding does nothing for us but put us in relationship with persons we don't know.

Formula Funding

First, it is not clear how the notion of *direct funding implies equality in funding* or, especially, the formula-based funding proposed in the concept present by the Central Office. Secondly, we submit that "equality in the funding process" is educationally irrevelant. That is, if it is the moral and, in most cases, legal (by treaty) obligation of the United States to provide education to Indian Tribes as groups and Indian children as individuals, this obligation would seem to obtain *independently* of the question of whether BIA financed schools are funded at a level which is equal either internally to each other, or externally to other schools in the same state. The assumptions inherent in a formula funding method seem to be:

1) that the level of funding in a state average per pupil expenditure is *adequate* and

2) that adjustment factors can be introduced in computing funding levels for individual schools which can guarantee revenues necessary for adequate programming.

We challange these assumptions.

As far as the adjustment factors are concerned, actual quantitative weights of factors relating to isolation, type and size of school, need of educational aides, etc. are not specified. If those developed by the National Educational Finance Project are utilized, then we would object that the NEFP cost differentials have been attacked as based on subjective designation of "successful" programs and are eventually inflexible and incapable of dealing adequately with local changes. Admittedly, the proposed formula method is by way of a concept and not a fully specified plan, but is almost impossible to relate to the concept without an awareness of the weights of the various factors adjusting the formula.

The first assumption, that equality with state average per pupil expenditures some how provides for adequacy, is most questionable. The criterion of "equality" (at least internal equality, i.e. equality with other Indian communities) has been used for decades as a basis for maintaining inferior services in the Indian Health Service. Individual service units cannot get more IHS dollars because they would then be getting more, proportionately, than other service units are getting. IHS can claim that all units are at what they call a level of minimum adequate; but the fact that a federal agency declares a unit's delivery of service adequate does not make it so. So, we feel very uneasy when we see the same concept being pushed to fund Indian Education. From other information than that contained in the concept paper, which requested our comments, it appears that the "direct funding" plan involves a foundation" program, which would guarantee a minimum adequacy to school programs. This would be essential to the success of the proposedchanges, but again one could ask who decides the question of adequacy, of the minimum "foundation", or of what sufficiently addresses need. What Miccouskee feels most uncomfortable with is the notion that this decision will be made otherwise than at the tribal level.

Perhaps it could be countered that the concept proposed is external equality, that is one which would put funding for Indian Schools on a par with the state average per pupil expenditures in which the school is located, as adjusted by the factors discussed above. But this answer would not alleviate our fears. First of all, not enough adjustment factors are indicated. For instance, there is no factor listed in the proposal for higher costs or even higher expenditures incurred in certain metropolitan areas. For instance, in Dade County, Florida (Miami), per pupil expenditures are rated at $1497, which is significantly higher than the $1092, which was reported for school year 1975-1976 for the full time equivalent student K-12, in the whole state.

Secondly, even if all appropriate adjustment factors were worked into the formula, the basic assumption of adequacy because of equality has never been established. Certainly, public schools have never shown an acceptable success rate with Indian students even if studies could be produced which show them having a greater success rate than BIA schools. We submit that any funding concept based purely on a centrally designed and centrally controlled formula or computerized program is inherently incapable of properly addressing specific local needs as well as eminently contrary to the principle of Indian Self-Determination as declared in Public Law 93-638. P.L. 93-638 delcares that Congress recognizes an obligation of the United States to assure maximum Indian participation in the direction of education services to Indian communities; it declares Congress' commitment to the effective and meaningful participation by the Indian people in the planning, conduct and administration of educational programs and services, and declares as a major national goal to provide the quantity and quality of educational services which will permit Indian children to compete and excel in life areas of their choice. We submit that the proposed plan does not allow Indian Tribes and communities either effective or meaningful participation in the planning of educational programs. "Planning" certainly must involve some meaningful input into budget preparation, needs assessment, and control of cost variables relating to staffing, program design and logistical support.

Phased Release

The final provision of the Central Office's proposal is that only a percentage of the year's contracted amount would be released at the beginning of the fiscal year, with the remainder released only after the contract has begun and on the basis of average daily membership of students that funding year.

Besides the obvious difficulty this approach would make for community schools in planning, in making commitments to teachers and so forth, the Miccosukees feel most strongly that the concept would also render the contracting process meaningless and place control of financial planning not in the hands of the tribal authorities, but in an impersonal, computerized formula. This part of the Central Office's concept is completely unacceptable to the Miccosukee Tribe.

B. "Zero-Based" Budgeting

It is uncertain if and to what extent the Carter Administration has in mind to apply its proposed "zero-based" budgeting to the Bureau of Indian Affairs. Language in the Presidents' Memorandum for Heads of Executive Departments and Agencies, (February 14, 1977) as well as in OMB's Bulletin No. 77-9, "Zero Based Budgeting" dated April 19, 1977 (Federal Register, May 2, 1977) seem not to include the Department of the Interior or its Bureau of Indian Affairs.

"Zero-based" budgeting, if it is taken literally, rather than within a political context must never be accepted as legal or moral in the case of Indian education. That is, if the federal support itself which provides primary funding of Indian schools is to periodically be required to justify its existence, then the principle of a trust relationship and a national debt to Indian tribes is completely breached.

But, we do understand that Indian education itself may never be considered to have a base of absolute zero. We know that the slogan has a meaning other than its liberal sense and that one meaning may simply be another way of talking the language of reform-minded budgeting systems dating back to the fifties and before. If "zero-based" budgeting is simply another word for performance, program, Program-planning budgeting or management by objectives, then the Miccosukee may not be opposed.

But if, when OMB talks in its proposal on the implementation of the new system, Indian tribes and contract communities are lumped together with "subordinate managers" of the executive agencies, then Miccosukee rejects the notion that

> "At each high management level:
> -decision packages may be revised, deleted or added; and
> -rankings submitted by subordinate managers may be revised".
> (OMB Bulletin No. 77-9, loc.cit. 22343)

If this were to be the case, then the concepts of self-determination promised in P.L. 93-638 and the notion of a government-to-government relationship would again be made a mockery of. Indian tribal governments do not stand in any kind of line relationship to the Bureau of Indian Affairs. If any kind of effectiveness or efficiency testing be attempted of alternative

Indian education programs, then Indian tribes themselves must be in a positon to make finally binding decisions.

xxx

In summation, the two alternatives to the existing system of federal funding of contract schools (the BIA's Central Office's concept of direct formula-based, and phased-release funding and OMB's initial generalized statements on zero-based budgeting) are both objectionable.

Miccosukee rejects the first and has-serious doubts about the second until it is clarified as relates to contracting tribes.

In brief, the concept of direct funding seems no better and is probably much worse than negotiations with Area offices in the case of contracting tribes. As far as the notion of formula funding is concerned, the principle of meeting education needs because of a federal responsibility, or trust relationship, is completely lost sight of. The idea of releasing contract funds only in phases, and perhaps at a lower rate that that contracted, seems to contradict the notions of self-determination and the very nature of a contract.

Finally, zero-base in regard to contract budgets, does not take into consideration either the Untied States' trust responsibility or the concept of a government-to-government relationship between tribes and the federal government.

4. A Proposal of Our Own

Rather than simply criticize, we wish constructively to offer an alternative ourselves. In brief, we feel that the moral and legal basis of federal funding to contract schools suggests a cost-budgeting approach based on needs, with needs programs to meet them, priorities between them and costs of prioritized programs all defined at the level of the contracting tribe or Indian organization.

More specifically, we propose that:

a) all communities or schools to be funded by BIA, especially contract schools, thorough needs assessment and provide, two years in advance of actual funding, program plans together with a well justified projection of revenues needed and a budget of planned expenditures

b) the budget projections would be simply added together by the BIA's Office of Indian Education Programs, and a total would be developed which would be the sum of these individually determined budgets plus costs of support to be provided by the central or area offices.

c) this sum would then be introduced into the appropriations package submitted by the BIA through the Secretary of the Interior, with specific amounts, however, continually being identified as earmarked for specific schools, so that Representatives and Senators could keep track of their constituents in appropriations hearings and voting.

d) cuts along the way should be by way of percentages of the whole and should be applied equally to all, including central office support services; then everyone would quickly learn, as other departments of government have, that budgets have to be prepared with fat in them so that OMB, in its cuts, cannot touch what is considered bone and muscle in its trimming process.

e) monitoring and evaluation of school programs would follow up expenditures and serve to validate reasonableness of costs, establish comparative cost-benefit analyses of specific innovative approaches and shed light, especially longitudinally, on the adequacy of programs.

f) finally, through the use of the provisions of section 106, of P.L. 93-638, a "direct appropriation" approach to funding such as we have suggested may allow for actual savings, increased services and benefits and considerably more flexibility than the formula-based funding concept with the 80% - 20% phased allotment. Presumably, decreases (or even increases) in average daily membership would affect funding levels, but at a point in time when staffs for a school year are already under contract or other commitments. In our approach, a dollar figure would be arrived at on the basis of assessed needs (including, but not totally determined by numbers of students) and of program design (a program staff, space and equipment needs, etc. derive more from program design than from numbers of students served) and this dollar figure would be written into the terms of an annual contract (in the case of non-contract schools, the issue, admittedly, is not clear). If in the course of the year, large numbers of new students would show up, adjustments (in food costs, materials and supplies, logistics, etc.) could be made in other parts of the contract. If significantly fewer students showed up, through 93-638, Section 106 (h), savings (in materials and supplies, food, etc., but not in personnel) could be "utilized to provide additional services or benefits under the contract" - which in many schools could be rescheduled repairs on buildings, additional equipment, etc., which could have a useful life beyond a particular contract year, and specifically in those years where increased students would relate to other increases in cost.

This testimony is submitted in the hope that tribal and community input may influence you in your deliberations in this time of change. Thank you for your concern and your invitation to us to submit our ideas for your consideration.

STATEMENT OF JACKSON BARNETTE, MICCOSUKEE TRIBE FOR CYRIN F. MAUS, GRANTS AND CONTRACTS DIRECTOR FOR THE MICCOSUKEE TRIBE OF INDIANS OF FLORIDA

Mr. Barnette. Mr. Chairman, may I deviate and sort of walk around while I read? Is that out of order? This is my first trip to Washington, D. C., and I am still a little bit standing in awe, as it is, so, please be tolerant and so forth.

My name is Jackson Barnette. I am a Muskhogi Creek from the hills of Oklahoma. I work for the Miccosukee Tribe of Indians of Florida, and Mr. Chairman, gentlemen, ladies of the committee, my brothers and sisters of the American Indian people, I bring you greetings from Mr. Buffalo Tiger, chairman of the Miccosukee Tribe of Indians of Florida, deep in the heart of the Everglades.

It's often difficult at times to read somebody else's writing, and make head or tail of it. That is what I have been asked to do. Our testimony will deal with the question of Federal funding of Indian contract schools in four steps:

1) Moral-Legal Basis of Federal Funding
2) Analysis of the Existing System
3) Our Reaction to Proposed Alternatives
4) A Proposal of Our Own

In brief, then, the first principles which must be kept in mind in any discussion of Federal funding of Indian tribal schools is that the support is morally and legally by way of a national obligation or a part of the Federal trust reponsibility. Likewise, Indian tribes are inherently self-governing and have rights to self-determination recognized by Congress which characterizes relationships between them and the Federal Government as government-to-government relationships.

In summation, the present system is characterized by annual contracting of amounts projected by the band analysis as negotiated with the area director and his staff. This sytem has proven advantageous to the Miccosukee Tribe for three reasons:

1) in the annual contracting aspect, it assures a fixed amount annually which is not subject to change once negotiated;

2) in its incremental aspect, it has provided stability and predictability and even healthy increments from year to year;

3) in its administrative structure, it has been the occasion of the development of a productive relationship with the area office.

Disadvantages to the system do not outweigh advantages as far as the Tribe is concerned. Disadvantages are that:

1) long-term contracts remain dependent on annual appropriations in spite of the Federal responsibility for Indian education;

2) incrementalism leads to wastefulness;

3) the banded approach to budget projects makes it almost impossible to introduce new programs, and

4) the intrusion of many layers of administrative structures between the Tribe and the Federal Goverent may not always assure of a rational conduct of affairs.

There are two major alternatives to the existing system which, to our knowledge, are currently being considered:

a) the quite specific concept drafted by the Central Office of Indian Education Programs of the Bureau of Indian Affairs. It may be described as a direct-funding, a formula-funding and a phased-released funding concept, and b) the other is general and seems to include BIA programs and contract schools in its conception. It is the zero-based budgeting approach newly proposed by the Carter Administration through the Office of Management and Budget.

In summation, the two alternatives to the existing system of Federal funding of contract schools, the BIA's Central Office's concept of direct formula-based, and phased-released funding and OMB's initial generalized statements on zero-based budgeting, are both objectionable. Miccosukee rejects the first and has serious doubts about the second until it is clarified as relates to contracting tribes.

In brief, the concept of direct funding seems no better and is probably much worse than negotiations with area offices in the case of contracting tribes. As far as the notion of formula funding is concerned, the principle of meeting education needs because of a Federal responsibility, or trust relatioship, is completely lost sight of. The idea of releasing contract funds only in phases, and perhaps at a lower rate than that contracted, seems to contradict the notions of self-determination and the very nature of a contract.

Finally, zero-base in regard to contract budgets, does not take into consideration either the United States trust responsibility or the concept of a government-to-government relationship betwen Tribes and the Federal Government.

Rather than simply criticize, we wish constructively to offer an alternative ourselves. In brief, we feel that the moral and legal basis of Federal funding to contract schools suggests a cost-budgeting approach based on needs, with needs programs to meet them, priorities between them and costs of prioritized programs all defined at the level of the contracting tribe or Indian organization.

More specifically, we propose that:

a) all communities or schools to be funded by BIA, especially contract schools, thorough needs assessment and provide, two years in advance of actual funding, program plans together with a well justified projection of revenues needed and a budget of planned expenditures.

b) the budget projections would be simply added together by the BIA's Office of Indian Education Programs, and a total would be developed which would be the sum of these individually determined budgets plus costs of support to be provided by the central or area offices.

c) this sum would then be introduced into the appropriations package submitted by the BIA through the Secretary of the Interior, with specific amounts, however, continually being identified as earmarked for specific schools, so that Representatives and Senators could keep track of their constituents in appropriations hearings and voting.

d) cuts along the way should be by way of percentages of the whole and should be applied equally to all, including central office support services; then everyone would quickly learn, as other departments of Government have, that budgets have to be prepared with fat in them so that OMB, in its cuts, cannot touch what is considered bone and muscle in its trimming process.

e) monitoring and evaluation of school programs would follow up expenditures and serve to validate reasonableness of costs, establish comparative cost-benefit analyses of specific innovative approaches and shed light, especially longitudinally, on the adequacy of programs.

f) finally, through the use of the provisions of Section 106, of Public Law 93-638, a "direct appropriation" approach to funding such as we have suggested may allow for actual savings, increased services and benefits and considerably more flexibility than the formula-based funding concept with the 80-20 percent phased allotment.

Presumably, decreases or even increases in average daily membership would affect funding levels, but at a point in time when staffs for a school year are already under contractor other commitments. In our approach, a dollar figure would be arrived at on the basis of assessed needs, including, but not totally determined by numbers of students and of program design. A program staff, space and equipment needs, et cetera, derive more from program design than from numbers of students served, and this dollar figure would be written into the terms of an annual contract and in the case of non-contract schools, the issue, admittedly, is not clear.

If in the course of the year, large numbers of new students would show up, adjustments in food costs, materials and supplies, logistics, et cetera, could be made in other parts of the contract. If significantly fewer students showed up, through 93-638, Section 106(h), savings in materials and supplies, food, et cetera, but not in personnel, could be "utilized to provide additional services or benefits under the contract" which in many schools could reschedule repairs on buildings, additional equipment, et cetera, which could have a useful life beyond a particular contract year, and specifically in those years where increased students would relate to other increases in cost.

Any questions you might have for us in this area you might address to our attorney for the Tribe, Mr. Dean, and I am the director of the high school program, and I feel that is my specialty. I like to think that is where I am most qualified. You might address them to me on the day to day operation of a contract school by the Miccosukee Tribe.

This testimony is submitted in the hope that tribal and community input may influence you in your deliberations in this time of change. Thank you for your concern and our invitation to us to submit our ideas for your consideration.

Mr. **Blouin**. Thank you very much.

I really wouldn't worry about non-contract schools. If your program went into effect, I doubt if there would be any left. They would all come into the contract process very quickly.

Mr. Creamer, I want to ask you a couple of questions in terms of dollars that go into your school.

What is the per pupil cost first, in your school?

Mr. **Creamer**. We have 120 students, and we have about $500,000 in total funding from all sources.

Mr. **Blouin**. I am talking about just education, and not the building costs.

Mr. **Creamer** These are program costs.

Mr. **Blouin**. Strictly program costs. OK; roughly $4,000.

Is yours a boarding school at all?

Mr. **Creamer**. No.

Mr. **Blouin**. Strictly a day school?

Mr. **Creamer**. It's a day school. Less than half of that is our contract, the rest of it is in supplementary funds or one sort or another.

Mr. **Blouin**. How does that compare with other similar schools around the country, do you know, is that high or low?

Mr. **Creamer**. I don't know. Our indirect costs are quite high. We amount to a one school school district with 120 students, and that is an expensive proposition. I am sure our funds are higher than, for example, per pupil costs in Albuquerque.

Mr. **Blouin**. How is your budget really arrived at? Is there a negotiation as such that goes on with BIA, to determine how many dollars you are going to have to operate next year's school year on, or is it, "Here is a check or here are the vouchers, take it or leave it; this is all there is."

Mr. **Creamer**. There is a negotiation each year. It has been something of a battle, each year it's been possible only because we had legal counsel to help us in that negotiation. It's conducted between representatives of BIA education at the area office level, representatives of the contracting office, our school board, and administrative staff personnel. A dozen people, generally speaking, get involved in the negotiation itself. It takes about three or four days. It's based on a proposed tentative budget from us, proposed lower figures from them, and then a lot of argument about whether they have the money or whether they don't.

I think it will be simplified for the future years by the virtue of the indirect cost negotiation which we have gone through, in that many, many of the controversial items are now indirect costs. They were administrative things that we needed to support the school program and so on, what is left in our direct costs for the Bureau are seven teacher salaries, three bus drivers, two cooks, one teacher aide, and proposed librarian-clerk for next year, and that is the direct cost personnel for the school.

There is not an awful lot of that that you can argue about. If they come across with us as they did with Rock Point, with a proposal to cut that direct cost budget by 20 percent, I don't know where they are going to cut it. They are going to have to have one class without a teacher or something.

Mr. BLOUIN. I gathered from your testimony and so on that you are really not happy with the contracting procedure as it exists—is that a fair statement? It's not the concept of contracting you take issue with by any means, but it's the process.

Mr. CREAMER. There are a lot of bugs in it and a great deal of uncertainty in it. It's a threatening process.

Mr. BLOUIN. Can you propose some remedies to us and specific changes that could be made?

Mr. CREAMER. We do not have that many remedies to offer beyond providing us with a certain degree of financial security by giving us some operating capital to weather the financial problems that can be created by the Bureau at the drop of a hat.

The major variables seem to be in terms of service attitudes on the part of the Bureau people we deal with. I honestly think a lot of it is going to iron out over time if we do not keep changing the system every couple of years and starting over from scratch. I think what we would like is for everything to kind of settle for a while and let everybody get used to it the way it is before we start making gross changes. That is the main thing that scares us about the direct funding concept. We have had to deal with a complete change in rules almost every year and we are flexible people or we would not be in the business because after a while you begin to wonder whether all that flexing is going to make a weak spot and break.

Mr. BLOUIN. You heard the proposed changes of both the last two witnesses. Have you any comments on either of those approaches?

Mr. CREAMER. The suggestion for Miccosukee sounds quite ideal. It also sounds like it would end up being phenominally expensive. If we simply generated the budget on the basis of what we thought we needed in the local community and then all those budgets were put together and handed to BIA and say, "Here, fund it", I am not sure the Congress would be happy with what was proposed at that point.

Mr. BLOUIN. I think that is a fair assessment.

Mr. CREAMER. There has to be some kind of negotiation between available funds and need. The present contracting procedure is one that we have learned to live with. We might turn around tomorrow and say it is completely intolerable if, for example, the Navajo area officer were replaced with somebody who was hostile to community control. Then that could immensely complicate our life. A great deal of it depends on the philosophies, attitudes, skills and experience of the bureau persons that we have to deal with. A lot of it comes down to personalities. But our position is not a secure position.

Mr. **Blouin**. Could your concerns, as you see them, be better addressed through changing the 93-638 as opposed to specifics in the way the funds are moved?

Mr. **Creamer**. I do not believe so. I would like to see one change in the 93-638 procedures, not necessarily the law. I would like to see a change that for schools such as ours, which are community operated under a large tribe, that somehow representatives of those schools or school boards be permitted to participate in the process of generating proposed changes for 93-638 regulation. I think there are two very different situations between a large tribe such as the Navajo Tribe and a small tribe in which the community and the tribal government are not widely separated.

To me, the general thrust of what is being done in contract schools is that it puts control of the school program in the hands of the people who experience the consequences of that program. If in the name of Indian self-determination that control is lodged largely at the tribal level in a large tribe, the tribal officials do not experience those consequences. They do not know the effects of saying it ought to be done this way instead of being done that way. We do. So at that point I think our school and schools like ours, which operate under a fairly sizable bureaucracy, need to have some direct input, somewhat similar to the input given by tribal officials because those regulations are our lifeblood and we only get to deal with changes at the congressional hearing level.

That is about the only change that I can see in the procedures that I would like to see.

Mr. **Blouin**. Do I understand you correctly—that your real concern about direct funding is the lack of knowledge on the part of the tribal council of how to run a school board?

Mr. **Creamer**. Not so much the lack of knowledge of how to run a school board. They do not know what it will do to our program. They are miles and miles away from our program.

Mr. **Blouin**. Let's say the direct funding would be submitted to a locally elected Indian school board that really ran the school.

Mr. **Creamer**. Yes.

Mr. **Blouin**. Would your objection then be removed or your concern?

Mr. **Creamer**. There are two ideas that are mixed up in Dr. Demmert's proposal. One is the notion of direct funding, which sounds like bypassing this whole huge bureaucracy and giving us a kind of one office at the national level that deals with contracts that would sooner or later become pretty expert at that. The other is formula funding. We have no base to know right now what formula funding would do to our budget. The thing that bothers us about it, we just do not know how it would come out. It is uncertain and uncertainty is something we can't deal with.

Mr. **Blouin**. You have no objection in theory to the idea? You want to see more specifics?

Mr. **Creamer**. Also we would like to say we have not had that much trouble with the area office, not with the contracting part of it. The thing that we have had the major problem with in the area office is finance office and facilities management and other indirect cost departments of the area. If you direct funded us with our facilities management funds, then what do we do—buy it from the area office, go out and contract it privately at 50 percent additional cost? We have a lot of problems there. We do not know how that would work.

Even if we had all of our budget, everything that could conceivably be assigned to the school for those functions, it would be uneconomic for one small school to try to provide those as an independent program. It would be an economic thing if somehow we had a contract with plant management that they had to abide by, that they would do certain things for us, period. But we have this problem.

Mr. **Blouin**. Thank you. Ms. Gress, in your recommendations—the second one that deals with extending self-determination to public schools—you suggest that federal funds to public school districts be based on the requirement that they are going to acknowledge self-determination. We heard earlier there are a number of public schools that are refusing the dollars. How do we respond to that? On the extension I would agree the extent ought to be there as far as the Indian dollars are concerned. I think that is what you are talking about. How do we get that school to take the money?

Ms. **Gress**. We are talking mostly about those schools that are members of the coalition that have created the separate public school districts and to allow for this where they would like to take this step.

Mr. **Blouin**. You would extend it just to public schools that are completely controlled by Indian school board? Am I understanding that?

Ms. **Gress**. I would like to refer this to our attorney, Mr. Gross, if you do not mind.

Mr. **Blouin**. All right.

Mr. **Gross**. If I understand the question, what do you do with school districts that simply refuse federal funds? How much leverage do you gain if you simply cannot deal with the school district?

Mr. **Blouin**. Let's say there is a public school out there,—and I understand from earlier testimony there are several,—that just refuse the Indian dollars and say it is not worth the efforts. They do not want it, they are going to do what they want, and they are not going to use any federal monies. We end up in that case with worse than discrimination, totally ignoring the existence of Indian students. At least with discrimination they admit you are there.

Mr. **Gross**. I think the approach that should be looked at analytically is one of a safety valve—give Indian communities the right to choose the form of education which they want, lay down no inflexible rigid rules that you must go to public schools, you must go to contract schools, or you must do anything. You give Indian people, because of their diversity and because of the myriads of situations, the right to choose the form of education and the mechanisms for controlling it. In situations where the public school district proves intransigent, you give the community as already exists in some form through JOM, for example, the right to opt out, give them the right to start their own school. That is happening in a number of places. It happened at Hammond, Oklahoma, for example, where because of tensions in the local public school district in 1972 the Indian parents got so fed up with the atmnosphere of violence and bias, they started from scratch a storefront school which has since grown into a viable BIA-funded school.

The irony is also a very predictable salutary effect in a situation like Hammond. Once the safety valve is put into play, the effect on the public school is very beneficial. I am told that the public school district in Hammond, Oklahoma, is now much more responsive to Indian education than it was. As a matter of fact, there are Indian students who are going to that public school now although the Indian-controlled contract school also exists, and is drawing students from that community as well as others on the so-called reservation.

That is the idea that might best approach the answer to your question—a safety valve idea. Do not force Indians to go to public schools if they meet a stone wall.

Mr. BLOUIN. Is it not better to try to devise a system of quality education for Indians than putting them through the necessity to pull out and establish their own until the place they have pulled out begins to accept the responsibility?

Mr. GROSS. In the best of all possible worlds, yes, but we are dealing with transient situations; we are dealing with officials who change, we deal with communities whose boundaries change over time. We deal with situations that are not the same as they were a year ago or as they will be two years from now. As a result, I think there is quite truthfully an incapacity on the part of the Federal Government to set forth in any rational way a single format that will govern every situation unless you play with words and say that that format ought to be very flexible and thus allow for a lot of options, and that is what I am saying.

Mr. BLOUIN. I see. I have to vote on an amendment on the floor. I yield to the staff for further questions.

Mr. BRAGG. Mr. Abeyta, as I recall, your situation is one where you are kind of phasing into the complete takeover of the school for which you are contracting, and this year you have contracted for some policy and planning functions and next year you will be taking over more of the actual administration. How is that system working, and would you suggest that as a model for contract schools as opposed to the ones where the ownership just changes overnight?

Mr. ABEYTA. The council and the people I think traditionally have been a very conservative group. I think their decision to, first of all, look at Public Law 93-638 in terms of what it means and its potential is consistent with their past behavior. What we have opted to do was to devise a program before we actually go into the total takeover of a program.

For eight months at this point we have been working on the design of that program, and I think we have something put together that is going to work. When we started out our planning we were told we had about $1.6 million to work with. We based our plan on that projection. One of the problems that we are running into is that figures are continually changing and that really throws us into a difficult kind of situation. But in terms of the question, I cannot think of a better way to approach it. I think that the process that we are going through is an excellent one, that first you sit down and look at yourself as an organization, look at yourself as a group and decide—do we have the capability? What is our competence, what are our strengths? How do we apply our strengths to the situation and how do we wind up with a program that we think is going to be able to do a job?

If we had it any other way, if the council had decided to contract today and move into that whole business the next day, it scares me about the outcome.

Very specifically, the answer to your question—with the process we have gone through, I think it is an excellent one. It has been worthwhile for us. I think it is one other tribes might want to look at.

Mr. **Bragg**. Will the interim status be over as of next fall?

Mr. **Abeyta**. The projections we have now, we are hoping by July 1 we will have a signed contract with the Bureau and right after then we intend to bring staff on and to be ready for the first day of school, which is scheduled for the last week in August at the present time.

Mr. **Bragg**. What has happened to your enrollment pattern? Do you anticipate you are going to have more students in the fall than you had this year or last year?

Mr. **Abeyta**. No, we do not. The condition of the facilities are such that we do not think we can handle more than 300 students. Again, because of this planning we have gone through, we have been able to make that determination with some reasonable justification. In the past the school has accepted up to 500 students, knowing by Christmas they will lose a quarter to a half of the population. As a mechanism for survival, I guess they figure the more we let in at the beginning, anticipating the loss, we are going to be around next year.

We are approaching it slightly differently. We are saying that the facilities, the program, and the budget is such we cannot handle more than 300 and we are hoping we will be able to cut down the dropout rate. We are trying to change the focus of the school so that the program is something the community can buy into and support.

Mr. **Bragg**. Just one more question. On the number of dollars that you have available, as of what you now know, how will your per-pupil expenditures compare next year and this year and last year? What is happening to that pattern?

Mr. **Abeyta**. I think if we worked it out on an average it would be pretty much the same. As I said, we are told we are going to have in the neighborhood of $1.5 or $0.6 million. I am hopeful that the student population we start out with is going to remain intact and we will wind up in the neighborhood of 300. As opposed to past experience where the school has accepted 400 students with pretty much the same budget, at the end of the year 50 percent of the students have dropped out, so the answer to the question is that I think it is going to be within a few dollars pretty much the same students and not that much of a change.

Ms. FRANKLIN. Mr. Abeyta, you talked before about plans for having cooperative efforts with Southwest Indian Polytechnic Institute. Have you gotten anywhere with them for providing programs for your young people?

Mr. ABEYTA. Yes. At one point in the planning and developing of our program we looked at Albuquerque's physical location as being a plus because of the access we have to Santa Fe to the surrounding community. We looked at the possibility of building on that strength by using some of the resources that were available. We talked about using the Southwestern Institute as an extension of our campus. We talked about using some of their staff. We talked about using the staff of the American Indian Institute of Art to complement our programs. They are very anxious to work with us. Now we are in the process of working out the mechanics of how that happens.

In addition to that, we were hoping we were going to be able to utilize 93-638's provision that makes it possible for us to borrow people, to not be dependent on the idea just expressed to the point that we did not have any sure program. The law says it is possible, and as we talk to people on he top they say, by all means, that is a definite vehicle that is available to you. When you get down to the practical and you go to the local superintendent and you say—it is happening now—there is one person I want, I am prepared to pay half of his salary if the Bureau will pay the other half to strengthen my program; I need him for one year.

The response that I am getting is next year we are anticipating a cut, the Bureau is mandating a cut and I am going to be cut, so therefore you can't have that person.

I have not had to make that point because I think it is an example of only one side. The law says one thing and when you approach it from that perspective a person can get excited. Contracting is an answer, a way to deal with the problems, but when you get down to the day-to-day application there are a lot more obstacles that are not as visible initially as they are when you go through the process.

Mr. LOVESEE. I have kind of a loaded question to ask. Perhaps I will address it to Mr. John, who is from upper New York. I know a little about the situation up there. I wish to address 93-638, which is a relatively new act of Congress, passed with all the greatest of intentions, however one views what actually is the end problem. I would like to get your opinion on how you view that piece of Congressional action from the standpoint of the Congress addressing the problem, and did they do it well. If not,I would like to get some feelings from the standpoint of how you feel about the potential for Congress correcting its mistakes.

What is the local opinion? Is it one of frustration where no one can help, or is t one where possibly something can be done?

Mr. JOHN. That is quite a question. First of all, in regard to the law, our tribe was not directly affected in he field of education. It allowed for administrative services, but the law, I feel, is a step in the right direction but it really does not relate to the Senecas. Let me answer in regard to the Senecas. Maybe you are asking the wrong person. In our system we do not directly get involved. Let me restate it. The tribe can only apply for funds under this act, and in applying they cannot put the funds into education. They could, but because of our public school system they do not, and in our case it does not really help our cause any, so the local opinion I would say would be it is a good act but it is not really helping us that much.

Ms. **Gress**. May Mr. Gross make a supplement to Mr. John's comments?

Mr. **Gross**. I am an attorney and my firm also represents the Seneca Nation. I would just like to add with respect to the Seneca Nation there is a problem which Public Law 93-638 was not intended to address, and that is what happens when you have a tribe which simply for historical reasons has either no or very little Bureau or Indian Health Service programs serving them. The reason that Mr. John is explaining is that Public Law 93-638 may seem somewhat academic is that unless they can come into the Congress to get additional funding for a BIA program or an Indian Health Service program, there is really not anything meaningful to contribute under 93-638.

Then I would like to underscore what Mr. Creamer has said because I think this does reflect the experience of a number of other organizations besides Borrego Pass. There would be some desirability for a period of time in which Public Law 638, the statute and the procedures, could be learned but not only learned by the Indian tribes and tribal school board but learned by the BIA. My experience in the past year as an attorney—and this includes experience with Borrego Pass—one of the major problems has been failure by the BIA officials, by some officials, to comply with requirements of the BIA's own 93-638 regulations and also contract requirements that have been negotiated.

Mr. Creamer mentioned the problem with the facilities engineering in the area office. There are contract requirements which the Bureau is in fact in breach of. The contracting officer recognizes they are and is attempting to get the appropriate Bureau personnel to comply, but that does not happen automatically. In one instance Borrego Pass filed a claim and had a determination that the Bureau was in breach and would either remedy the breach or the school would have paid $350. As a result of that, the people went out and did the work which they were required to do by contract. So I think if the Congress can emphasize to the Bureau and to the Indian Health Service the importance of complying with the law and complying with their own regulations, that would be very helpful.

Mr. **Lovesee**. I know that Mr. Creamer has to catch a plane at 2:15 so I will remind him it is 1:15 now.

Mrs. **Franklin**. I wanted to ask Mr. John, based on what Mr. Gross said. When I visited your Cataraugus Reservation in New York, I met with the Parent Committee. There I ran into problems that the parent committee is having with the school superintendent. The school superintendent of that area seemed to be threatening to do away with the Title IV monies because he said they were "discriminatory", charges which we heard before by Mr. Barlow and other people.

We have had people tell us we should take the responsibility away from the school districts and allow the Indian parents to do with these programs as they would bypass the public schools. On the other hand, we have been told maybe that is not a good idea, that what we should do is to continue to work with those school districts to sensitize them. If we take the money away, they will never become sensitive to the needs of Indian kids through that parent committee. I would like to know your reaction.

Mr. JOHN. I feel that New York is a prime example of that. The curriculum that has been developed, although it is of high standard, for instance, when you study New York State history there is not one page of Indian history. A third of our students or two-thirds do not know how many Indians we have in our tribe. This is my answer to the public school system. They can blackmail the Indian parent committees. When the Indians are not in control of programs, when federal aid has to come through LEA's and the LEA's threaten not to sign for the money, it is a vicious circle. It is not doing anything. It has happened in our case that one LEA threatened a parent committee that he would not sign off for the funding unless his terms were met. So I fully agree that Indians should be extended more input, but the school system should be worked with because in our case the school systems are adequate, they are quite superior to what I am sure we could do, but at the same time our people want just a little bit more. We want to have some input. At this time we are on the outside looking in, but there should be some way that the school district can cooperate instead of blackmailing the Indian community.

Mr. BLOUIN. Thank you.

Mr. Gipp, do you think the present process of contracting is a good one as it's set up through the BIA and if not, what kinds of changes would you recommend?

Mr. GIPP. I suppose I have to respond to that from our point of view with respect to problems or issues, and then more specifically to the contracting process itself.

First of all, with respect to the contracting process itself, in some instances we would almost have to say that is is not in a sense a real negotiation, I guess, might be the real term that we would use. I mentioned earlier, for example, in 1971 we had a $1.3 million budget; in 1977 we have a $1.4 million budget. Now, what happens with this type of situation is that, in effect, the Bureau of Indian Affairs gives us a fixed ceiling, and says okay, you have X number of dollars to negotiate, and so what it really boils down to is we simply sat down and we discussed all of the nature and materials of the contract, and the purposes that would be expressed.

Mr. BLOUIN. The dollars are not negotiable; the way it's spent.

Mr. GIPP. It would be within the basic provisions of employment assistance, and for the purposes, for example, that United Tribes was chartered for, and I mentioned that primary purpose in the beginning. There we have a problem, as I say, in terms of any other basis for negotiations on the basis of needs, on the basis of inflationary costs, these kinds of things that are simply not available presently through the Bureau of Indian Affairs.

I bring this up primarily because I look at fiscal year 1976 within the BIA budget when they had an $808,095,000 budget, they returned more than $29 million to the U.S. Treasury, as unexpended, and when we talk about some of the problems we run into within the Bureau of Indian Affairs, when they say we don't have the kinds of resources to provide to Indian communities, then it seems to me we ought to look at Bureau systems in terms of how they are looking, and the effectiveness of how they are using the Bureau dollar for services to the American Indians.

Mr. BLOUIN. Should the BIA return $29 million to the Treasury in unexpended Indian moneys?

Mr. GIPP. I have to see that in terms of the total budget. I can't specify that; I just have the total dollars.

Mr. BLOUIN. Total BIA budget?

Mr. GIPP. Right, but one needs to look at this in terms of what is happening in the Bureau, and the effectiveness of those dollars when we start talking about the services in the area of education or employment assistance or other areas the Bureau has responsibilities for.

In part I would like to refer to Mr. Le Para on specifics of contracting authority itself.

Mr. BLOUIN. You might want to expand that to tell me whether you think part of the problem is that the same contracting system was set up for elementary, secondary, and that your postsecondary vocational school—does that cause problems too?

Mr. LE PERA. I might say Mr. Creamer certainly put me in a very tenuous position by mentioning through counsel and everything they have been able to hold ground and establish some increments in their funding.

My clients happen to be right here.

Mr. BLOUIN. I was waiting for a response to that.

Mr. LE PERA. I have been there, in that area for four years, and I can say in four years of negotiating with at least our area office, negotiations connotes a give and take, then the only give and take we have ever had that I am aware of, is how you are going to use X number of dollars, and that has taken many sessions and has gone over a long period of time, but the general approach has been prepare a proposed budget of what your needs are, put that together and that takes a long drawn-out period of time, much energy that is taken from other areas. We have put that together.

Then we got into our chartered plane, or commercial, and went to Aberdeen and then were told that well, you have X number of dollars, now prepare your actual operational budget within that set figure. That is how we have proceeded that I know of for four years.

Mr. BLOUIN. There has been no give and take?

Mr. LE PERA. Not on the dollar amounts, and the question that was posed earlier about the concept of contracting, I think it's academic, and I am speaking only for an institution such as ours which, as you know, is a private, nonprofit Indian-owned, Indian-operated vocational training school.

As far as we are concerned, it couldn't matter less or more whether we received our moneys by contract, by a grant or by direct legislation. So, our concern is how do you work within 638? We have run across the same problems as Mr. Dean and I am sure Mr. Gross has run into how it works, and become familiar with new pieces of legislation.

What it does is build in, I feel, a competition of a trust responsibility that the Federal Government has. As an example, we receive our monies out of employment assistance. We receive out of the same pool the same that the tribal governments, that each reservation receives. We have on our board of directors a tribal chairman from each of the five reservations, so that each dollar of United Tribe is—as the education institutions, would go out and attempt to solicit—that dollar is a potential dollar that is being taken away from one of the respective tribal members or governing bodies.

When we are talking about the Federal Governent actually meeting its trust responsibility in the area of education, one of the suggestions we would have is—and we have put this into the testimony—is taking us out of that competitive position as best you can.

We know you are always going to have competition, there is competition between each of the Federal agencies and within the Federal agencies, but let's make it as palatable and understanding, I think, within the Indian communities, and within the Bureau, and put it in some area that is not called employment assistance when you are dealing with an educational institution such as ours. So one of the ways in which you could do it is identify within the band analysis, the sacred cow, which, in fact, as far as we are concerned, does not take one of the primary factors that should be taken into consideration, and that is need.

Our contract is directed to the disadvantaged, unskilled, underachievers, which I put down equals the hard core unemployed. That has been the same target we have been shooting at for four years as far as back as 1969 when it first started. Coming back again, what we are saying is, I think, that when you build in competition between tribal organizations within the same area, when you take an organization such as ours which services not just our area office but probably an eight or nine State area, you need to take it out of that area's employment assistance moneys, designate it either directly from Congress or a mandate through the Bureau of Indian Affairs, to have it designated specifically, and then make a determination as to whether or not you actually want to run this type of an operation. Is there a need in the area, in the region for this type of school, and let's not kid each other and not mix it up and dismiss and put it in the total employment assistance budget, and then have the Bureau come up with a set figure periodically.

Another example, we are running, the value of the dollar, as far as purchasing, at two-thirds of the purchasing power as when we were in existence in 1971, operating still under the same basic contract, which I think explains a very, very serious statistic, and that is we have—and I know the other gentlemen with their schools have expressed the same problems—we have approximately a 60 percent dropout, and what we feel statistically and practically we have been able to show and can show is by this confinement and non-analysis of needs, built in a failure factor for us at 60 percent, and that 60 percent obviously varies from year to year.

To your last comment, I don't know enough about the difference between the postsecondary and the regular elementary or nonsecondary schools to answer that comment. I don't, unless you are talking about a Bureau operated program, I would then just ask you the question:

Would the Bureau have the same type of interest and concern to a contractual operation as opposed to one of their own programs?

Mr. Blouin. My question was directed, in fact, that there is no difference in the way the BIA contracts between the vocational postsecondary institution and elementary or secondary, and maybe there ought to be. It's like putting a square peg into a round hole because it just doesn't quite make it.

Mr. Le Pera. As I say I have no familiarity with how they contract with other institutions.

Mr. Blouin. Thank you.

I just have one comment I want to tell you how impressed I was with your school when we were out there.

Mr. Gipp. Thank you.

Mr. Blouin. You are doing fine work.

Do you have a final comment?

Mr. Gipp. No not really, except that I would only say that with respect to the area of education and employment assistance, I think that is one that I would hope this committee would look into, because employment assistance does deal with an aspect of education that oftentimes is forgotten, and that is the vocational educational area.

Thank you very much.

Mr. Blouin. I think that is an area, just to finish, that we may be able to get into. We would have to work through one of the other subcommittees of the Education and Labor Committee that deals with employment, but the magic of this advisory panel is that with the approval of the individual subcommittee Chairmen we can work with any of the subcommittees that we wish.

Tomorrow we will continue our hearings operating under the Subcommittee on Postsecondary Education, concentrating on higher education generally, and we will be happy to pursue that point as well.

Thank you very much.

I thank all of you for coming.

We appreciate your patience today.

The subcommittee is adjourned.

[Whereupon, at 1:30 p.m., the subcommittee adjourned.]

[Additional material submitted for inclusion in the record follow:]

GALLUP-McKINLEY COUNTY PUBLIC SCHOOLS
GALLUP, NEW MEXICO 87301

JACK SWICEGOOD, Superintendent
OFFICE OF THE SUPERINTENDENT

700 SOUTH BOARDMAN DRIVE
P. O. BOX 1318
Tele. (505) 722-3891

MEMORANDUM

DATE: May 2, 1977

TO : Alan Lovesee

FROM: Dr. Jack Swicegood, Superintendent

RE : Testimony on P.L. 874, Johnson O'Malley Funding, P.L. 815

I regret that your schedule of hearings is such that I could not appear on the May 18th agenda.

Listed below is the testimony I would present concerning the aforementioned subjects.

General

The Gallup-McKinley County Public Schools is the largest in land area size (5700 sq. mi.) in the Continental United States. It also enrolls the largest Indian student body, 9117 Indian students of a total of 13,225 students (69%) (Oct. 29, 1975).

The tax valuation is approximately $89 million or $6,730 per student, whereas the state average is more than $13,000 per student. The school attendance centers are scattered over the area in an attempt to provide schools close to centers of population. Distance from Gallup to attendance centers vary, 60 miles to Crownpoint to the northeast, 45 miles to Navajo to the northwest, Ramah 45 miles to the southeast, and 45 miles to Zuni to the southwest. Schools are located at various sites between these extremes and Gallup. There are a total of 29 attendance centers in the district. The district includes parts of two Indian Reservations, Navajo and Zuni.

The United States Government under treaty obligations began the education of Indian children in government schools. However, as the numbers of children increased, the total costs rose and parents began resenting the methods used in government schools. There was a movement from federal and private schools to public schools. There was also a concomitant shift in federal posture, i.e., the education of all children became the responsibility of the state. There was not an attendant shift in federal posture on funding, although taxation on Indian lands remained outside the jurisdiction of the state.

P.L. 874

Beginning with the school year 1970-71 and at a progressively increased rate, the State of New Mexico took into account Public Law 874 funds in appropriating funds for the operation of schools. This procedure was finalized in 1974 for the school year 1974-75 in that the state took credit against the calculated program cost for the district for 95% of

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P.L. 874 (continued)

of Public Law 874 funds. This "equalization" procedure has had a very adverse effect upon the potential for supplying educational opportunity for all pupils enrolled in this district. This has adversely affected the educational opportunities available to all children and youth in the district including the 9000 Indian children enrolled. The opportunities available for the 13,000 children and youth in the future are thereby decreased.

The state has "equalized" educational costs by school student body size in general. Consequently, there is really no resource to care for the special needs of Indian education which are not average for the state. Thus, the only resource available for meeting the non-average needs of Indian children is federal funding for categorical supplemental and compensatory type programs. Supplemental funds are earmarked for special programs and may not be used to add to basic program costs. If basic program costs are supplemented with special program funds, supplanting occurs. Consequently, time constraints and compartmentalization of students' learning occurs.

While Public Law 874 funds remained in the district, these funds allowed the district to bear these additional costs. With state equalization, the district has no resources to pay for above average programs.

In summary on this one point, the district is meeting only the state-average educational needs of pupils and not the special needs of some 9000 Indian youngsters. The district should be permitted to receive an equal per capita share of state funds and in addition thereto, keep 100% of Public Law 874 funds.

Johnson O'Malley Funding

As you may know, the Bureau of Indian Affairs just this past year has allowed the Navajo Tribe to assume the role of Contractor with the school district as the sub-contractor. The regulations imposed by the BIA upon the Tribe, Indian Education Committees and local board in Johnson O'Malley operations leave the impression with me that the Tribe is being used as a "straw man". I would hasten to add that after some initial problems in cash flow, the district has enjoyed its relationship with the Tribe.

Compensatory and categorical programs, especially Title IV Indian Education Act and Johnson O'Malley dealing specifically with Indian programs have, and will continue, I assume, to revise guidelines and regulations. This district, the largest Indian enrollment district in the nation, has never been asked for any input into rules, regulations, and guidelines. It appears, thus, that the writers and approvers of rules and regulations do not wish to make them practical or feasible for a school district or Parent Committees.

As mentioned above, cash flow is one of the main problems in any supplemental program. Funding of special programs is unstable, erratic, and variable. This usually results in crash type planning. Due to lateness in the final grant or contract, personnel to implement even crash

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Johnson O'Malley Funding (continued)

type programs are placed under pressure to seek more permanent employment. The attendant turnover in personnel makes in-service very necessary and costly and programs less effective.

Usually the funds are sent to the district long after the program begins, which causes payment problems. This has forced the district to borrow from operational monies to pay special project costs for several months. The non-availability of operational cash in the future will cause the district to adopt the policy of pay as you go in special projects. In other words, if there is no special program cash on hand, the program cannot begin.

Complicating this problem in Johnson O'Malley funding is the reimbursement system which is required by the Tribe (via BIA). Johnson O'Malley is the only federal program in which this district operates by the reimbursement system. The other federal projects operate on an advance pay system with proper auditing procedures.

In auditing special program fund accounts, the variance between regulations of the different departments of the federal bureaucracy causes some implementation and accounting problems. The change of guidelines and regulations between the time the project is approved and the audit is made cause some problems. The personal philosophy of the auditor in contrast to the statements in the project cause some problems.

Some of the laws, regulations, and audit guidelines place the board in jeopardy of violating the state laws and regulations under which it must operate. Some examples are: certification of instructor personnel, control and accounting for funds, insurance of materials and equipment, assurances of non-discrimination when the program by law is discriminatory, the non-provision of facilities to house programs, et. al.

In summary on Johnson O'Malley, it would be my recommendation to either change the Bureau of Indian Affairs Johnson O'Malley contracting procedures or move Johnson O'Malley funding processes to the Tribe or to the New Mexico State Department of Education. It is further recommended that public school district personnel be involved with rules and regulations development. This involvement should also include parent committee members who are experienced in program operation. Finally, it is recommended that cash flow should be in advance of projected expenditure, and audit and program accountability should be based on the approved project and guidelines, rules and regulations extant at the time of project approval. The value of the fiscal audit or the program audit should be based upon the expertise of the auditor.

P.L. 815

Public Law 815 has granted about $10.8 million for a high school building and teacherages at Tohatchi and $1.8 million initial grant for Thoreau High School. (Thoreau will probably approach $7 million). This is the first Public Law 815 funds the district has received since 1965. The district has remained bonded to almost capacity.

P.L. 815 (continued)

In this district, the failure of Public Law 815 to provide facilities to house students who have and are in process of entering public schools, coupled with a very low per capita tax valuation and bonding capacity has forced the district to use many portable buildings. In most of the rural schools (predominantly Indian students) where the largest amount of growth has occurred in the past 10 years, there are more portable classrooms in use than permanent classrooms. This adversely affects the educational opportunity of Indian students. The state has supplied some facility funds (approximately $300,000) but due to the reservation sovereignty question, it has been a difficult fiscal-political problem to secure any assistance from the state.

The impacted area schools in New Mexico are in dire need for increased funding through Public Law 815 funds. Last summer, the school districts of Central Consolidated, Tularosa, Los Lunas, Magdalena, Dulce, and Gallup-McKinley County responded to a questionnaire on the estimated costs of permanent construction needed to provide adequate facilities. Please keep in mind that these represent only six of nineteen eligible districts in the State of New Mexico.

Considering only these responses, it is estimated that $56,856,900 is needed for permanent construction to provide adequate facilities. The Gallup-McKinley County School District alone has a conservative estimate of $45,881,900! When comparing these figures with the funding level, the gross inadequacy of Public Law 815 funding becomes obvious.

Another example illustrating the plight of individual school districts can be shown in the case of the Gallup-McKinley County School District. A federal court judge in the Natonabah, et. al. vs. the Gallup-McKinley County Board of Education ruled that the school district must provide equal facilities for the Indian reservation areas as is provided for the public land city schools. Due to the large land areas in the district which are non-taxable, it is a fiscal impossibility to meet such a demand. In summary, this particular school district was ordered by a federal court to provide equal facilities with inadequate federal, state, and local funds to accomplish the court order!

In summary, I earnestly and respectfully solicit your help with current and future Public Law 815 legislation.

JS:ed

cc: Leonard DeLayo

ALL INDIAN PUEBLO COUNCIL, INC.
Albuquerque Indian School
Office of the Superintendent
1000 Menaul Blvd. N.W. Building 219 Albuquerque, New Mexico 87107 Phone (505) 842-5924

October 10, 1977

Mr. Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
213 Cannon Building
Washington, D.C. 20515

Dear Mr. Blouin:

I am sorry about the unfortunate mix up regarding answers to questions pertaining to the May 18th hearings held in Washington D.C.

Enclosed you will find my response to your questions, and if you need further information I will be glad to respond.

Sincerely yours,

Joseph Abeyta
Superintendent

JA/dm

QUESTION 1. Describe briefly the mechanics of the administration of the Albuquerque Indian School during its "changeover" to Indian control. Do you feel your experience with this transfer was unusual, if so, please explain.

The Albuquerque Indian School (A.I.S.) is a boarding school for grades seventh through twelfth, located in metropolitan Albuquerque. The school serves a student population of three-hundred (300) students drawn largely from northern and central, New Mexico. While the student body includes Navajos, Apaches, Utes and Sioux, the majority are Pueblos.

Albuquerque Indian School opened in 1881 as a Presbyterian Mission School but was taken over by Federal Government in 1886 and has been operated by the government for the last ninety years.

In February, 1976, the All Indian Pueblo Council (A.I.P.C.), representing the 19 Pueblos of New Mexico, began considering the possibility of contracting for the control of the school. Proceeding under the provision of Public Law 93-638, the Indian Self-Determination Act, the Council signed a contract with the Bureau of Indian Affairs in September, 1976. This planning contract authorized All Indian Pueblo Council to staff the following planning positions through July, 1977:

1. Superintendent
2. Educational Planner
3. Principal
4. Business Manager
5. Academic Planner
6. Counseling and Social Services Planner
7. Federal Programs Planner
8. Instructional Resources Planner
9. Residential Planner
10. Pueblo Resource Planner
11. Student Activities Planner
12. 7 Secretaries

In order to provide stability to the contracting venture, the All Indian Pueblo Council secured resolutions of support from the nineteen pueblos. The Chairman of the All Indian Pueblo Council also named the Education Committee to serve on the Albuquerque Indian School Board. Also, in order to facilitate the transition during the planning year, the Chairman and the Bureau of Indian Affairs signed a Memorandum of Agreement covering the school operation. This memorandum gave the new A.I.P.C./A.I.S. Superintendent the power to consult on the Bureau selection of a Federal Officer-In-Charge and other temporary administrators appointed to operate A.I.S. during the transitional year.

The educational program proposal developed from this year of planning was submitted to the Bureau of Indian Affairs Area Office in March, 1977. The original Planning Contract was amended July 1, 1977 to provide for the full management of the school by A.I.P.C. for a three year period.

To address the part of the question, "Do you feel your experience with this transfer was unusual? - very briefly, everything concerning this transfer was unusual in that Albuquerque Indian School was the first school to be contracted under P.L. 93-638 and therefore, no prerequisites had been established. Several other tribal groups have visited the school in order to study the process of contracting.

QUESTION 2. What is the position of Albuquerque Indian School on the direct funding proposal now being circulated by the Central Office of the Division of Education of the Bureau of Indian Affairs?

Direct funding is greatly needed for contract schools. There are many reasons supporting strong arguments for a process that allows Contract Schools to receive funds that are needed to run a school under local Indian control.

At present, there are too many bureaucratic layers that allocations for schools must go through. Each level has the option to cut the allocation as it eventually makes its way to its ultimate goal; the school. What the school ends up with, is a budget that is much smaller than planned for or anticipated.

To strengthen the position of the Albuquerque Indian School for direct funding, the following recommendations must be seriously considered.

> There is a definite need for technical assistance on a national level to be available for schools wanting to go contract. Technical assistance provided through contracting outside firms is preferrable to technical assistance given by the Bureau of Indian Affairs due to an obvious conflict of interest.
>
> Schools need the capability to develop individual personnel and hiring processes and should not have to be dependent on the civil service practices, but should be able to develop their own methods. Civil services methods are often lenghthy, with no intervening process involving the contract school, and therefore completely by-passes the authority of the school as to the selections of personnel.
>
> Pilot schools should be identified in each Area for direct funding.
>
> Money should be received at the school level, not just an allocation.

Finally, the concept of local Indian control is definitely jeopordized due to the limited autonomy actually exercised by tribes - simply because of the bureaucratic control over the money flow to contract schools.

Therefore, the funding formula based on SAPPE would still be inequitable, even with the suggested adjustments.

QUESTION 3. In your opinion, are Titel supplementary program funds now being used for basic program requirements? Please elaborate.

Three Title programs are currently funded for Albuquerque Indian School: Title - I ESEA, Johnson O'Malley, and Title IV, Part A - Non LEA. Title I and Johnson O'Malley funds are supplementary because they provide services for students who have special educational needs that at this time cannot be provided under the regular program due to the amount of existing funds. The Title IV, Part A - Non LEA, Indian Education Act funds are basis support to the regular program. Services and programs provided as was originally planned in the Indian Self-Determination Application. However, due to the limited amount of funds available, some of these services could not be implemented until the Title IV, Part A - Non LEA application was approved.

The Indian Education Act funds have allowed Albuquerque Indian School to provide the additional personnel needed to implement the following programs and services: tutoring, school-community liaison, classroom aides, career education/exploration, and one additional, but desperately needed, security officer; and purchasing much needed athletic uniforms and basic physical education equipment.

All of the programs and services mentioned are now restored to the regular program through the Indian Education Funds. Therefore, the Title IV program is basic support, as is allowable under the rules and regulations regarding the ten percent (10%) set aside of Part A of the Indian Education Act.

Title I of the Elementary and Secondary Education Act of 1965 and Johnson O'Malley funds are supplemental in nature. The Title I program provides remediation services in reading and math. Johnson O'Malley provides to meet the special needs of students who demonstrate that they are unable to keep up with the rest of the students and require smaller classes, and who must receive intensive individualized instruction.

Since not all the students require remediation in reading and math and individualized instruction, these programs must be supplemental. Essentially, provisions to meet these special needs are part of the over-all program, but again, due to the rules and regulations regarding these two programs, the services have remained supplemental.

Budget Breakdown of the Title is as Follows:

Title IV, Part A - Non LEA	$270,001.00
Title I - E.S.E.A.	123,862.00
Johnson O'Malley	46,500.00
TOTAL	$440,363.00

QUESTION 4. Do you have real input into your budgetary figures?
Are you satisfied with the process?

Albuquerque Indian School does not have real input into budgetary figures for operation of the school. These are based on the availability of funds at the Area Office.

Under the current procedures, money comes from Congress, then goes to the Office of Management and Budget, and then to the Bureau of Indian Affairs, it then goes first to the Central Office, then to the Area Office and finally is alloted to the Albuquerque Indian School. Funding is subject to alterations and deletions all along the way.

As recently as May 12, 1977, in a meeting at the Albuquerque Indian School in an attempt to clarify the issue of funding for the Albuquerque Indian School and to obtain accurate information on monies available for the P.L. 93-638 Contract (FY 1977-78), the Area Budget Officer, informed the Superintendent of Albuquerque Indian School of the following:

1) The Area Budget Officer was unable to make a definite statement regarding the Albuquerque Indian School P.L. 93-638 budget until a total statement for the entire area is prepared.
2) Final allocation for Albuquerque Indian School would not be available until September, 1977 (after the school year has begun).

IMPLICATIONS

The inconsistency between the tentative and the final allocation for budgetary figures makes any type of well thought out long-range educational planning extremely difficult.

It also enforces the fear on the past of Tribal groups that funding from the Bureau of Indian Affairs for P.L. 93-638 is so insecure that it is a detriment to the concept of Indian Self-Determination.

It is our position and suggestion that part of the problem can be resolved by a funding system that by-passes on present levels of bureaucracy and makes money available to contract schools directly from the Bureau of Indian Affairs Central Office in Washington, D.C.

This could be made possible by:

1) Monies allocated from the Congress by given directly to the All Indian Pueblo Council for the operation of the Albuquerque Indian School.
2) or, the establishment of a line item within the budget of the Central Office of the Bureau to be utilized specifically for the operation of Albuqueruqe Indian School by the All Indian Pueblo Council.

DIBE YAZHI HABITIIN OLTA, INC.
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June 23, 1977

Congressman Michael T. Blouin, Chm.
Advisory Study Group on Indian Education
Committee on Education and Labor
2181 Rayburn House Office Building
Washington, D. C. 20515

Dear Mr. Blouin:

Thank you for your thoughtful inquiry following my testimony to the Committee at the hearing on May 18, 1977.

I have studied the questions you ask, and attach my replies. The replies follow the numbering and order of the questions, and are headed by a summary subject heading referring to each question.

If there is any further way I may be of service to the Committee in its' inquiry, I will be happy to do so.

Sincerely,

Donald D. Creamer
Donald D. Creamer

1. Direct Funding, as now proposed:

The principal problems I now see in direct funding, as proposed, are two. First, is the confounding of the question of route of funding with a second question of per-student formula funding, and the further confounding of per-student formula funding with State per-capita expenditures for Education, not previously considered in any way that we know of in the amounts expended for students in Bureau schools.

Second, is the uncertainty of shifting over from an Area based distribution system to a Central Office based distribution system.

Taking these in order, the direct funding route would seem to be the principal "selling point" in the scheme, since it avoids the Area Office bottlenecks that some schools have experienced, and potentially puts Education contracting in the hands of a smaller group of Central Office personnel who would become "experts" at it. However, some of the most difficult problems we currently face in exercising community level control of our school program are rooted in systems that Central Office personnel have set up to gather together information from throughout the Bureau to enable them to "manage" Bureauwide Central Office Educational Programs. ESEA Title I "flow through" funds from the Office of Education are the most horrible example. The pack of forms we have to fill out yearly to apply for three staff positions for remedial education is currently 76 pages long, and provides no place for us to state what we want to do - just places to answer Central Office pre-conceived questions. Additionally, Central Office has set up a whole new Area Office structure to administer (through "Technical Assistance") the incredibly voluminous paperwork involved in this program, and this structure has been duplicated with a "Coordinator" and secretary at the Agency level (at least on Navajo) in order to assist the schools in coping with it.

We are, I think understandably, somewhat hesitant to trade in our present system of contract management--in which the Contracting Officer has one contract specialist assigned to us, and the other contract schools in the Area, and we deal directly with her, or through the Contracting Officer's Representative (our Agency Education Superintendent)--for a centralized system that is trying to deal with the whole Bureau at once and which could become just as top heavy as the present Branch of Special Projects in attempting to do so.

Per-student formula funding is already a reality. We have not been hurt by it, in its present Area wide form. In fact, it gives us a new degree of flexibility in program planning since contract negotiations from now on will not be a "house to house battle" over each new line item, with us attempting to increase our total budget by justifying each separate "need", while the Bureau negotiators

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attempt to "defend" their Education funds against our demands. The target total is now fixed, and in the open. And what is up for negotiation is how best to use the funds, a subject on which we are not necessarily adversaries.

However, the proposed (possibly actual, since JOM is now doing this) 80%/20% formula which has been introduced to protect the Bureau from commiting funds to schools which actually have less enrollment than projected, is fiscal insanity unless the Bureau can also give us the means to weather cash-flow crises. We cannot carry out a full year program with planned 20% deficits in the first quarter of each year, when we are hiring staff and getting things started. This whole notion seems "typical" of Central Office planning done for the sake of solving their planning problems and without any sense of what the effects will be out in the field. It is part of what makes us anxious about placing control of our funding at that level.

We would suggest full funding, at projected enrollments based on the average enrollment of the school over a selected period of time the previous year, with an adjustment formula to be applied as of Oct. 31st, if the enrollment of the school has changed more than a certain percentage (5% of ours would be 6 students, 10% 12 students etc.)

State per-capita formula base is very threatening. It places Bureau resources for the education of Indian children under control of State governments which may have other priorities, and frankly often do. It reverses the whole thrust of Federal aid to education (which is to equalize educational resources from one area of the country to another) in the case of Indian children, tending to un-equalize these resources to match imbalances between States. I can not see any advantage to it other than to provide extra funds for those schools which happen to be in States which have put a high premium on education, but this is to be bought at the cost of other Indian children elsewhere.

The most threatening thing about the proposal, however, is that it seems patently designed as a step toward phasing out the Bureau Education system entirely, placing it in "harmony" with the State systems so that (at a later date)responsibility for administering the contract schools funds can simply be transferred over to the States by another change in "funding route" (i.e. "through" the State Dept. of Education). This is not Indian self-determination. Nor do we want to do anything that may hasten the day when our school will have to dance to the tune of the State of New Mexico, which is uniquely ill suited to deal with the kinds of educational problems we are attempting to address.

2. Separate funding of "indirect costs"

The concept is good, and has been helpful to us in providing us with freedom from the necessity of securing approval in advance from funding agency program officers for administrative management decisions that involve line-item shifts in funds in what have now become indirect cost areas. One example should suffice: In our current Title I project (which is not yet under the "indirect cost" agreement, which takes effect after July 1 for USOE projects), we have a surplus of $523. in salaries for three administrator positions partially funded under this source, and a deficit of $138. in other administrative line item costs (insurance, materials & supplies etc.) Before we can use the surplus to cover the deficit, we have to write an 8 page modification request, which must be reviewed and approved at the Area Office Branch of Special Projects, and recommended to the Central Office Branch of Special Projects which must approve, and then it must be sent to Area Contracting, and an 11 page contract modification, in three copies, must be issued and signed by our School Board Chairman and the Contracting Officer. The whole process takes, on the average about a month or two months. The indirect-cost procedure makes it totally unnecessary, as long as we stay within the indirect cost budget.

The problems with the first year of indirect cost application to our contract have been those of ineptitude on the part of Bureau officials in dealing with it, because they have never done so before. We still do not know, and cannot find out, if there will be any money to cover our indirect costs as of July 1st, since the Bureau has way over-committed the account nationwide, and made no plans to cover indirect costs on Education contract modifications adding FY 77 funds to contracts for the July-August-September quarter of 1977. Most of the contract schools were on one-year funding cycles which ran out June 30, as do ours, so this problem has been almost universal this year. Nor do we know if enough has been budgeted to prevent the same problem next year.

Part of this difficulty is built in to the centralized funding system for these funds, through the Indian Contract Support fund. It will take a period of years for the Bureau to build a cost-experience to deal with this fund, and to predict with some accuracy how much is going to be needed each new year to cover changes in the amount to be contracted for various purposes to Indian people. However, this will come. In the meantime, it needs to be recognized that whatever deficits actually occur in this fund must be covered, since they represent legitimate obligations incurred by the Government to private contractors, at the Government's own initiative. Contracts for direct services will determine the amounts needed, and these amounts will change and eventually stabilize, but once the direct cost base is contracted, the Government is obligated to cover the agreed-upon indirect costs.

3. Navajo Tribe input

I believe that the School Board and Community would welcome Tribal interest in the school, its program, and problems, as long as the Tribe supports the concept that basic decision making power should rest at the community level for programs affecting this community. The School Board's effort to tackle difficult educational problems on behalf of community children has been carried out in somewhat lonely isolation, to date. The principal boost we have received from the Tribe was at the very outset of the contract, (1972) at which time the Director of the Division of Education came to the community and gave personal support and encouragement to the Board and the people in what they were trying to do. Since that time, the only contacts with the Tribe have been times when we have had to respond to requirements for Tribal "approval" of what is being done, and to Tribal plans for increasing Tribal control of educational systems. We honestly wonder if anyone at the Tribal level knows what we are doing, or why, or cares, except as we represent some kind of "wild card" in an educational system they would like to use as a political power base.

4. N.D.O.E. proposal for coordination

This proposal is difficult to evaluate because of differences between what is distributed by NDOE in writing, and what they say when presenting it. In writing, it is a plan to take over and control as much of the Educational system on the Reservation as possible, with a central School Board, approval of all funds, credentialling of staff, etc., none of which is welcome to a small School Board that has just successfully wrested control of its school from a similar Federal system which was singularly unsuccessful in meeting the educational needs of the community. One bureaucracy is just as bad as another, and frankly Indian bureaucrats are frequently worse than their Anglo counterparts.

On the other hand, what is said in presenting these things is that the proposal is merely an attempt to replace the present State bureaucracies and Federal bureaucracies with a Tribal system, to provide one coordinated means of controlling these large systems when they impinge on the Reservation. They don't want to take control away from the local communities, but the States and the Feds. The problem is how to cede the power to deal with the large systems to the Tribe without wiping out the small ones, and to date I don't see that we have any assurance that this will be done other than the fact the people doing it regard themselves as "nice guys".

5. Changes in P.L. 93-638

Frankly, I don't think any changes need to be made in the law at present. Changes may need to be made in the regulations under which the law is administered.

Perhaps the most serious one, in terms of impact upon our school, is already mentioned in our initial written testimony. The whole process of review of regs and recommendations for change needs to be re-thought. Bureau officials and Tribal officials currently hold almost exclusive control of this process. National Indian

Organizations are included as automatic reference points, although they may have little or nothing at stake in the effects of changes made, unless they are also contractors under the law, in which case they may exert undue influence in proportion to the specific contract. However, Indian Organizations lower than the Tribal level, which have the most at stake in the effects of changes, are excluded from the process, except as they may find representation through the Tribe or a National organization. We don't need to control the process, but we do need to be heard before recommended changes come to the Congressional level.

Other than this, we would like a moratorium on changes for a while, to allow the Bureau and the Indian people some opportunity to build a base of experience in using the Law before any more sweeping changes come down the pike. It may not be the best of all possible laws, but it is workable (we have survived and prospered under it), and it is known.

6. The "free enterprise" school system

I believe that, by and large, it doesn't have a very strong effect directly upon the students. i.e. I don't think the students have much choice as to which schools they attend. I believe that parents make these choices for their children in 99% of the cases, and often on the basis of factors which have little to do with educational benefits, such as whether there is a dormitory program which will house and feed the kids 10 months of the year and thus relieve pressure on the family budget, or conversely, whether the kids can live at home and help out while going to day school; and such as whether the parents have bought the notion that Public Schools are naturally "better" than Bureau schools; or whether they are afraid of bilingual education because they are Christians and fear that their children will be taught traditional religious concepts along with Navajo instruction; and a host of other similar ideas.

The principal benefit of the system, for the moment, seems to us to be that it allows us to function as an alternative educational program, without having to conform to any pre-conceived standards of larger systems which set such standards to deal with the "normal" school setting, and suppress innovation and pioneering thereby. We think that the long-term effects upon students of allowing this kind of freedom to respond to the unique needs of our situation may be considerable, and hope that we can maintain such freedom at least until one of the larger systems can show better general results with Navajo kids than we do.

For those students who are part of our school, we find a considerable degree of liking for school. It seems to disappear when they go on to other schools from here, from reports of parents. We have a rather strong motivation on the part of the School Board, in consequence, to extend our program upward to keep more children in school longer. However, this may be simplistic reasoning. There is no way to know unless we try.

7. Flexibility of funding/safeguards

The most effective device we have come across to provide for flexible local control of funds and still provide for monitoring safeguards is a representative evaluation committee, including members from the school, the funding agency, and an independent outside evaluation agency (in our case, the Tribe). Under this procedure, we set the goals & objectives, partially based on past evaluation reports, partially on community & staff interests and ideals.**The school staff devises the procedures, budgets, etc. to attempt to accomplish this, and the local evaluation committee member maintains documentation records, files, etc. as set up to criteria agreed upon by the total committee. The committee as a whole review, question, verify, etc. these data.

This is the first year we have tried this, but it appears viable. It could be used not only for the BIA funding (our current use), but the Funding Agency representative could be named as monitor for all Federal Agencies which fund us, if these agencies could get together to do it. One such three-way evaluation structure should be enough. We do not need separate "outside evaluations" for each of our programs -- just clear criteria for each funding agency as to what it wants evaluated. Then program officers from Washington offices need only review the data collection system, sample the data, and make recommendations for any additions and changes their programs may require.

Under such a system, over time, each funding agency's area of interest in the program could be clarified and delineated, each agency assured of even-handed long-term monitoring of results and verification of data, duplication of efforts reduced if not eliminated, and the school placed in a problem-solving rather than in a program-defending position, with a relatively free hand in planning to use resources for program improvement.

At present our members on the committee are the school's Evaluation Coordinator (full-time, one person, cost $16,000 per year), the Eastern Navajo Agency Curriculum Specialist (appointed to represent the school's Contracting Officer's Representative), and a representative appointed by the Navajo Tribal Division of Education. The two outside persons spend about 4 to 6 days a year meeting with our Evaluation Coordinator, setting up criteria and reviewing data, and will spend an un-known amount of time writing reports on the basis of information gathered in this way. The only problem we have had to date, is delay in appointment of the Tribal representative, and a change in representative at a later date.

** Also partially on announced priorities and guidelines of the USOE funding agencies.

Some investigation needs to be made into the current conceptualization of "discretionary funding" at the United States Office of Education, in relationship to the Congress' intent in P. L. 93-638 in recognizing "prolonged Federal domination of Indian service programs" as retarding, rather than enhancing the progress of Indian people, and also that "parental and community control of the educational process is of crucial importance to the Indian people."

These two concepts come into conflict in USOE fundings under the authority of the Indian Education Act of 1972, even in regard to funds provided under the "non-LEA set-aside" for Indian controlled schools in Part A of the Act. An example of this is found in the treatement of non-LEA fundings for FY 78:

> Initially, the Congressional funding for this portion of the Act was less than that required to cover prior commitments made to non-LEAs in FY 77 under three year renewable Grants, so the OIE staff went back to the Congress, explained the situation, sought, and received supplementary funding. However, once received, the Commissioner, on advice of other (unknown) OE officials that he must protect the "discretionary" nature of OE funds, held that none of these supplementary funds could be used directly to cover deficits in funding of prior-committed three year grants. Rather, they would have to be awarded "competitively", as new funds. It is our understanding that this was decided over the "dead bodies" of the Office of Indian Education staff and against the recommendations of the Acting Assistant Commissioner for Indian Education.

These concepts come into further conflict in the development of OE generated criterion "point systems" for evaluating proposals from Indian Tribes, Organizations, and Institutions which are designed to favor projects that will provide the kind of statistics of success that OE feels it needs to get money out of the Congress. A good example is the recently generated new regulations for Title IV, Part B, of the Indian Education Act with its heavy emphasis upon measurement of need, and quantifiable results (a total of 35 points out of the 100 available are contingent upon these factors). We have already seen the absurd lengths to which this emphasis has led under Title I ESEA, which is by and large a simple statistics paper mill, and only nominally under control of the local school now. We don't want the same thing to happen to OE Indian Education programs. We don't want Indian communities felt needs, whether "quantifiable" or not, to be submerged under OE Bureaucrats needs for statistical "proof" that their programs are accomplishing something. The proper place for the decision to be made whether something worthwhile is being accomplished is in the Indian Community where it is being done.

8. Competition for funds

I see no way to eliminate a *certain degree* of competition for limited resources. Fair distribution of resources on a per-capita basis, within certain limits as to responsible application of these resources to meet student needs (which I think can be fairly set and monitored under evaluation procedures suggested above under question 7) seems to me to be as close as you can come.

However, this is a far cry from the naive faith USOE seems to place in "competitive proposals" and statistical summaries of quantifiable results, in distributing resources. These kinds of methods are not *real* competition. They turn the government's legitimate efforts to meet Indian communities needs, and to develop Indian skills in meeting those needs, into a technical writing contest, judged by unknown "field readers" by standards set by professional office workers. They are "OE Roulette"!

We have not been unsuccessful in this area. In the four years we have been at Borrego Pass we have "lost" only one funding that we went after. We have also spent untold amounts of our time and energy "winning" the ones we won. But the point is, my criticisms of the present system are not "sour grapes". They are generated by my awareness that many many other Navajo School Boards are afraid to take the risks and commit their programs to the funding jungle as a "contract" school. Many are jealous of our "success" and think that we are favored to have the resources we have that they don't. And they are probably being realistic.

The competition should not be to "get" the resources. Certainly not on the annual "dig or die" basis we have been on in the past. The competition should be to get the *most out of* them -- to make them go the furthest over the long haul (whole school generations, not single years). Responsible innovation should be included -- allowed for in the amount provided. So, also, should time for the communities to make mistakes and learn from them. (Few of the Indian communities in our area have *any* experience in operating institutions directly under their control.)

In my opinion, a lot of this can be done under the present 93-638 procedures, as they are being administered in the Navajo Area this year. The separation of our indirect costs from our direct costs has paved the way for funding our direct costs on a basis comparable to that of other BIA schools in our agency, and this is being done. Our *indirect* costs are higher than those readily identifiable with a "regular" BIA day school, both because we are small, and because we are doing a lot more than they are in community involvement and program development. But *these* costs are not "competitive" *yet*! (So far as we know - we still don't have any indirect cost funds starting next month from the Bureau because other 93-638 commitments have overcommitted the present budget by a large amount -- see #2 above.) However, we initiated these parts of our program as direct costs prior to their being reclassified last year, and I am not sure how another school could get them started now, as new indirect costs of operation. So far as we have seen, only existing program elements can be reclassified as indirect costs, on the basis of their relationship to other program departments. However, this is a question for Interior Auditors to answer.

Finally, one element in the competition for funds picture stands out as so far unassimilated. The labor market in which we must seek our personnel is dominated by unrealistically high salaries set by the Government itself under Civil Service procedures. We are fortunate, in a way, that we don't have to deal with Civil Service, either to depend upon the BIA Personnel Office to hire staff for us (most of the lapse in salaries on the reservation is due to delays in staffing because Personnel just can't provide the people), or to pay the rates they set for those lucky people who get through their papermill. For example, the head cook at Rock Point Community School (one of our fellow contract schools) is under Civil Service, and is paid more than the School's Director, on the basis of automatic pay increments she has received under Civil Service. This kind of thing creates problems, because where we do compete for funds, Civil Servants dont! So we end up across the board paying less for comparable positions than the Bureau does, and expecting more of our employees.

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OUR REFERENCE

June 13, 1977

Mr. Alan Lovsey
Committee on Education and Labor
402 Cannon House Office Building
Washington, D. C. 20510

Dear Alan:

Enclosed herewith is a copy of the testimony of Thomas Shortbull, President of the Oglala Sioux Community College, which is being submitted in connection with your hearings regarding assistance to Indian controlled post-secondary educational institutions.

I would appreciate the opportunity to sit down with you to discuss the proposed schedule for enactment of this legislation.

With best regards.

Sincerely,

Bill

William E. Sudow

WES/jh

Enclosure

TESTIMONY OF MR. THOMAS SHORTBULL,
PRESIDENT OF OGLALA SIOUX COMMUNITY COLLEGE
PINE RIDGE, SOUTH DAKOTA
SUBMITTED TO THE SELECT COMMITTEE ON INDIAN EDUCATION
HOUSE OF REPRESENTATIVES,
MAY 31, 1977
REGARDING ASSISTANCE TO INDIAN CONTROLLED
POST-SECONDARY EDUCATIONAL INSTITUTIONS.

My name is Thomas Shortbull. I am President of the Oglala Sioux Community College on the Pine Ridge Reservation of the Oglala Sioux Tribe. This testimony is submitted in support of legislation to provide grants to Indian controlled Post-Secondary Educational Institutions. The legislation has been introduced in the Senate by Senator Abourezk as S. 1215.

American Indian colleges emerged in the 1960's and 1970's in response to the need for community-oriented education and the growing movement toward self-determination. These phenomena were present among the various communities in the United States in general. In the case of Indian communities, these needs and aspirations were particularly pressing; however, they were hampered by the ineffectiveness of general higher education efforts which did not (and perhaps could not) take into account local, reservation or community desires.

Of particular importance to Indian communities was the training and development of Indian teachers who would remain in their communities and teach in their schools.

At Pine Ridge, like many American Indian communities, it was decided that the avenue of post-secondary education most suitable for the needs of the community was the community college. A community college--unlike a four-year liberal arts institution--focuses very strongly on teaching its students the practical academic skills which will enable them to contribute to the welfare and development of the community. In furtherance of that goal the community college maintains close links with local industry, local business, and local government. The community college is by all means a community institution. And, the most immediate beneficiaries of the services of the community college are the members of community--both students and other residents.

The American Indian community colleges, such as at Pine Ridge, are even more particularly geared to the specialized needs of the communities. The Oglala Sioux Community College is chartered by the Oglala Sioux Tribe; it is managed by a board, all of whom are Indian; the overwhelming majority of the administration, faculty and students are Indian; and it is designed primarily to serve the needs of American Indians and to promote and preserve the culture of the American Indian Tribes.

To demonstrate what an American Indian Community College can accomplish in a relatively short period of time, I can recount with pride the development of the Oglala Sioux Community College. In June of 1970, in response to local educational needs, the Oglala Sioux Tribal Council created the first workings of what is now the Oglala Sioux Community College. The first teachers were volunteers, conducting classes in borrowed space with no funding. One hundred fifty students earned credits through these classes under an extension course agreement with the University of Colorado and Black Hills State College. In 1974 the College awarded its first degrees, including the capping of four graduates of the Nursing program.

This spring there were112 full time and 324 part time students taught by a total instructional staff of more than 30 and support staff of 65. The Community College offers Associates of Arts degrees in Applied Science, Business, Education, General Studies, Lakota Studies, Nursing and Social Services.

The Oglala Sioux Community College also offers its students and all members of the community a library, a learning center and many courses.

It is difficult to begin to enumerate the benefits which our Community College has afforded the Pine Ridge community. Our graduates are already working in the fields of education and tribal government--activities which touch each member of our community. We cannot even begin to properly place a measure on the value of the services of one of our graduates, currently serving as a teacher, a tribal leader or a nurse at the Pine Ridge Hospital.

Like all educational institutions, the American Indian Colleges are faced with the steadily increasing costs of providing quality academic services. We are especially affected in that there is simply no tribal or state money available to us. Nor is there a reliable source of federal money for Indian Community Colleges. The Office of Education in the Bureau of Indian Affairs have suggested that we rely on a number of small categorical education programs and the Snyder Act for financial support. However, the experiences of the established community colleges over the last several years have led us to conclude that these sources are woefully inadequate. Categorical programs cannot be relied upon for general support. Significant financial and human resources are required just in terms of the grantsmanship necessary to apply for aid. Further, the level of categorical money varies from one year to the next. The amount of support that has been available under the Snyder Act is far below the amount necessary to meet the needs of

Indian Community Colleges. The program contemplated by the legislation under consideration would provide the level of support needed and greatly help to ensure the viability and continued development of institutions such as Oglala Sioux Community College.

You are all familiar with difficulties we have had at Pine Ridge. We hope and believe that Oglala Sioux Community College has served as a stabalizing force in the community and that it will be a vehicle for orderly change. The legislation which is under consideration would provide financial support which will help the College and the Tribe continue in these roles.

At this point, I would like to address a few of the specific provisions of the proposed legislation. The proposed legislation authorizes grants for various educational activities including planning and development, operational costs, employment, curriculum development, student services and community service programs. Funds may not be used in connection with religious worship or instruction.

We feel that this enumeration permits institutions to conduct their activities and implement development in directions geared to the particular needs of the community while ensuring that funds will be used to carry out the educational purposes of the legislation.

The proposed legislation sets up certain criteria for eligibility. These criteria require that institutions demonstrate established operations and a commitment to quality education. Only institutions which are truly "Indian" will be eligible for grants. We support these provisions.

There has been some discussion of relaxing the eligibility criteria to permit community colleges which are in the development stages to qualify for financial aid. While we believe developmental money is an important part of this legislation program, we would recommend that the legislation provide two distinct sources of funding--one for established schools, using the criteria incorporated in S. 1215, and one for developing schools.

In summary, I hope I have demonstrated the need for community-oriented Indian higher education. I have tried to show through the example of our College how such education can be successful and how it contributes to the development of our Indian communities. We strongly support the proposed legislation and respectfully urge that it be enacted and implemented as soon as possible.

OVERSIGHT HEARINGS ON INDIAN EDUCATION

THURSDAY, MAY 19, 1977

House of Representatives,
Subcommittee on Postsecondary Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:06 a.m., in room 2261, Rayburn House Office Building, Hon. Michael T. Blouin presiding.

Mr. **Blouin**. The subcommittee will come to order.

Today we are meeting under the friendly arm of the Postsecondary Education Subcommittee of the Education and Labor Committee to concentrate on postsecondary education.

Our first witness is Mr. Jack Tirrell, Representative of the American Association of Community and Junior Colleges.

Mr. Tirrell, the committee has your testimony. It will be submitted for the record in total. If you have summaries of it, feel free to take it from there.

STATEMENT OF JOHN E. TIRRELL, VICE PRESIDENT FOR GOVERNMENTAL AFFAIRS, AMERICAN ASSOCIATION OF COMMUNITY AND JUNIOR COLLEGES

Mr. **Tirrell**. Thank you.

Mr. Chairman and members of the subcommittee, I am Vice President of Governmental Affairs of the American Association of Community and Junior Colleges, which represents 1,000 two-year institutions in the country that last year enrolled over 4 million credit students. I would like the committee to know that I am speaking before you today with the full support of the association's Commission on Governmental Affairs, which at its meeting on February 6, 1976, unanimously approved a resolution of support for the concept of Federal support to Indian community colleges.

Such support is consistent with earlier actions of the association. For example, we supported the development and passage of Public Law 92-189, supporting the Navajo Community College, and know that this aid has materially helped that college. Also, since 1972 the association has had special projects promoting educational opportunity for American Indians.

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One aspect of the projects involved concentrated effort to assist community colleges generally in improving their services to Indian students. This was a consciousness-raising effort and it did successfully help the colleges understand American Indian students and develop programs better suited to their needs. Another aspect of the project has provided administrative internships in community colleges to American Indians interested in leadership careers in this field.

As a matter of interest, I might note that Office of Civil Rights statistics for fall 1972, the latest figures available, indicate that the total undergraduate American Indian student population was 32,234. Of these, 11,770 are listed as attending two-year institutions; that is about one-third of the total. This figure includes enrollments in Indian-controlled two-year colleges as well as in community colleges generally.

The Public Law 93-638 Indian community college survey indicates that full-time equivalent enrollments in these Indian community colleges for 1974-75 approximated 1,488. Thus it is clear that AACJC's concern for the quality of education offered to American Indian students must extend to all two-year institutions.

We also believe that there should be a cross-fertilization between Indian-controlled and, for want of a better term, majority-based community colleges. We would frankly not like to see a situation where all American Indians attend Indian-controlled colleges. We believe that both types of colleges have substantial contributions to make, to students and to the nation. We believe that both Native American students and the majority students benefit from contact with each other.

This morning we are here to support the bill such as that introduced in the Senate, S. 1215. Consistent with our belief that community colleges should be community-based and responsive to the needs of their communities, and our belief that diversity in education is beneficial to all, we believe that Indian-controlled community colleges, located on reservations or other places accessible to Native American students are an appropriate part of the mix.

The situation of Native Americans in this country is unique. The problems they confront on a daily basis cannot be compared with any other group of Americans. They are part of the disadvantaged, as any set of statistics will demonstrate. America has not done well by its Native population.

The current assertiveness of the Native American groups is serving to call attention to their problems and to draw diverse groups together to work toward improving the situation. The development of Indian-controlled community colleges is a part of this trend, in which the Native Americans are grappling with their problem themselves, trying to improve the quality of life in an Indian setting, respectful of their own customs and belief systems.

Integration into majority society should not be forced on the American Indian; for some, it has not worked. The development of a viable social and economic life on reservations and other Native American environments should be a national goal, providing a workable option for those who want it.

This is where the Indian-controlled community colleges come in. They can be conveniently available to native Americans in their own environments, with educational programs geared to the elementary and secondary educational backgrounds of their students. They can help preserve the Indian heritage while providing education for effective relationships with majority society and occupational training based on realistic job possibility. Most importantly, these determinations can be made by the Indians themselves, rather than being based on others' interpretations of their needs.

Now, since one of the American Indians' chief problems is that they are not very well-funded, obviously external support is needed to assist them in the needs assessments, prior planning, and establishment and operations of these colleges. The legislation proposed in S. 1215 provides this assistance.

Last June I wrote some of my thoughts to Indian leaders drafting this bill. I suggested four steps in the funding consideration. They were:

One, a careful study to see if such an institution is needed, where, what programs, size, et cetera.

Two, funds should be provided to develop a plan of how the idea can be brought to reality.

Three, there should be a basic grant to each college for fundamental costs of operation, regardless of the size of the institution and/or to use for capital outlay, either immediately or to fund bonds over a period of years.

Four, then a sum should be added for each full-time equivalent [FTE] student to cover operating costs.

This has been covered in S. 1215 and I believe it is a sound basis for proceeding in the grant formula and payments section. This is reflected in the appropriations authorized.

It should also be clear that this bill does not limit the institutions, or its students, from participation in other USOE or programs aid administered by the Commissioner of Education. We believe this is equity and should be included.

In conclusion, Mr. Chairman, let me repeat that the American Association of Commuinty and Junior Colleges strongly supports this legislation. We hope that it can be moved through Congress with appropriate dispatch and that the much-needed aid it proposes will indeed become available to the Indian-controlled community colleges.

Thank you.

Mr. **Blouin**. Thank you, Mr. Tirrell.

I just have one question. With the plight of so many local community-controlled colleges in American financially today, it seems unique for the head or the lobbyist of an association to extend their arms out to another group. Is there this kind of strong support throughout your association for this effort?

Mr. **Tirrell**. I think, Mr. Chairman, we are proud that over our 75-year history we have reached into the inner city, where a lot of other institutions did not choose to go, have worked and attempted to help other minorities, blacks, Puerto Ricans. We have gone into rural areas. As we said in our statement, we believe it is only equity and fairness that this group also have this opportunity.

Mr. **Blouin**. You do not view this as quote "additional competition," unquote?

Mr. **Tirrell**. We have a policy statement toward universal opportunity. If it is going to be universal, then it has to be for every American, including our Native Americans.

Mr. **Blouin**. In the transition period, if we can just assume for a moment that this kind of legislation is passed or something similar to it, are there any ways that the existing community colleges around the country can be used as at least a temporary source of Indian education beyond what is being done now?

Mr. **Tirrell**. I think the important concept of this discussion is going to the Indian reservations and going to the places where the Indians are. So I would be reluctant, I do not think you intend that, but I am picking up that possibility of taking them to some of our institutions existent. I think we have done too much of that already.

On the other hand, if it is a matter of reaching out the hand, with counsel, with advice, so they do not necessarily have to go through the same errors we did in other institutions, I think the answer is yes. I trust you might have picked up on my statement that a year ago I sat down with some of these people who are in the room today and attempted to share some of our, I hate to call it expertise, but some of our knowledge in other parts of the country on funding and the like. I am sure that we have a number of our members who would want to and would be anxious to help in this way.

Mr. **Blouin**. Good.

How about in terms of helping with extending accreditation arms on a temporary basis to beginning institutions?

Mr. **Tirrell**. This, as you know, is not quite as easy for us to say that we can extend, in that these are voluntary associations of four-year college university people and the like who are members; we are only a part of that kind of organization.

I noticed in one of the earlier statements that one of the Indian-controlled institutions was turned down because it did not have adequate financial base. One of the ways they could get an adequate financial base was to have accreditation. So it is a difficult circle. I would say, however, that within the—I am sure none of them want anybody to give them accreditation that is meaningless—we would make every effort as team members, members of the associations, to see that by the route called the three letters from other accredited institutions and the like, we would make every effort to move expeditiously in this regard.

Mr. **Blouin**. Thank you very much.

Mr. **Quie**. Thank you, Mr. Chairman.

I see that you support legislation, then, with a specific authority for the funding of Indian-controlled community colleges as a line item.

Mr. **Tirrell**. Yes, Mr. Quie.

As I said just before you came in, I had an opportunity to work with them a year ago on the formula that is in S. 1215, and I think there is a desirability of providing some line item funds for a study to see if they are necessary, for planning, and some operational funds as a base so they are not living hand-to-mouth, so to speak.

Most of our community colleges in this country, as you know, are funded first by local tax, then State funds, and these institutions in our opinion would have a great deal of difficulty getting any substantial amount of funds from either one of those sources.

Mr. QUIE. Do you have any problem, then, with the BIA, if we have a line item funded through the BIA for the Indian-controlled community colleges, so that BIA would be the same as the State or local government?

Mr. TIRRELL. As always, you put your finger on a very crucial item. I think a year ago as I talked with them I was talking about basic funding over in U.S.O.E. As I said in my statement, I think their students ought to be eligible for BEOG and other programs, I was kidding some of them that they have problems with the BIA but when it comes down to how it might work best, I am convinced—at least at the moment—that would be the direction to go as a line item, through BIA.

Mr. QUIE. I would surely agree with you.

As my questioning indicated, perhaps that would be my view as well, that as the local government and the State government provide assistance to community colleges, and the community colleges go to the Office of Education for the additional postsecondary education support, by the same token BIA ought to provide the support for the Indian-controlled community colleges and then be eligible for Office of Education progams.

Mr. TIRRELL. I think in all equity, personally, and our association has studied this, that should be the way.

Mr. QUIE. Thank you.

Mr. BLOUIN. Thank you very much, Mr. Tirrell. We appreciate your cooperation and that of your association.

Our next witnesses are in the form of a panel. As your name is called, would you please come up to the table?

Mr. Perry Horse, Executive Director, American Indian Higher Education Consortium; Mr. Donald McCabe, President, Navajo Community College; Dr. Lionel Bordeaux, President, Sinte Gleska Community College, and Mr. Phillip Martin, Member of the Board of Regents, Haskell Institution.

Is Mr. Martin here? He is not, I see. There was some question as to whether he would make it today, apparently.

Gentlemen, maybe we can just start in the order your names were called, Mr. Horse, Mr. McCabe, and Dr. Bordeaux. We have your statements for the record. If you care to summarize it, we will not argue with that at all, and if you have supporting staff with you whom you would like to have near you, feel free to bring them up.

STATEMENTS OF PERRY HORSE, EXECUTIVE DIRECTOR, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM; DONALD McCABE, PRESIDENT, NAVAJO COMMUNITY COLLEGE; CARL TODACHEENE, PRESIDENT, BOARD OF REGENTS, NAVAJO COMMUNITY COLLEGE; AND DR. LIONEL BROADERAUX, PRESIDENT, SINTE GLESKA COMMUNITY COLLEGE

STATEMENT OF PERRY HORSE

Mr. BLOUIN. Mr. Horse, you are on.

Mr. HORSE. I am Perry Horse, the Acting Executive Director of the American Indian Higher Education Consortium.

We would like to extend our thanks and appreciation to this subcommittee for giving us this opportunity to discuss our concerns and what we consider a very vital area of Indian higher education, namely, the community college movement.

I am the director of this organization, the Consortium of Indian Community Colleges. It is comprised of 12 member institutions that are located in six States. It was organized in 1972 in recognition of the need for beginning some kind of concerted action to deal with the developmental problems that they were all experiencing on more or less of a common basis. So the idea was to pull resources and organize to address some of the unique problems coming to the forefront as these Indian institutions began to get organized and developed. So, as a result, they formed this consortium and hired us as a staff to help them carry out certain tasks related to their development.

As you can see from my statement, we speak to the general background of the colleges, how they came about, the most important reason of course is that they are meeting a very important need in thse areas in which they are located. We feel they are filling a significant gap in the overall educational scheme of things on those reservations where they are located, in that a significant amount of people on the reservations have not had the opportunity or the access to postsecondary opportunities. We feel these community colleges are going to fill that gap.

These colleges, as you know, are controlled by all-Indian boards of regents or directors. By and large, the administrative staffs are Indian. The students are predominantly Indian. They are very keenly aware of the aspects of quality control, quality education. In that regard they are working very hard to strengthen their individual accreditation status. At this point, four of our member institutions are working very, very hard in that direction.

The Navajo Community College recently achieved full accreditation; Inupiat University of the Arctic in Barrow, Alaska also. D.Q. University, the Indian college segment, is a member of our consortium, and Sinte Gleska.

All three of these latter institutions recently achieved candidacy for accreditation status. So we feel this is a good indication that these schools are striving to maintain those quality standards of education and are moving forward through the accreditation process.

We feel, despite a number of difficulties which they have encountered in funding, mainly that they have managed to set an impressive track record in the accomplishments they have been able to achieve so far. We are to the point now, Mr. Chairman, where we feel some kind of outside assistance is needed to help us in developing these institutions and that is why we are grateful for this opportunity today to discuss this.

In talking about the concept of Federal support for institutions, we feel that basically that concept is rooted in the historical trust responsibility of the Federal Government to provide educational opportunities for Indians.

As you know, historically the Snyder Act was the initial enabling legislation for the Bureau of Indian Affairs to provide these kinds of services for Indians. Of course at that time there were no Indian colleges on the scene, but we are saying that, in view of the thrust of the self-determination, as far as education is concerned it is quite evident that a number of these tribes have seen fit that they want the community college approach to higher education in their areas. So in trying to enlist the assistance of the Federal agencies, not only the Bureau of Indian Affairs but the Office of Education, we have encountered certain difficulties related to that. As a result we are very deeply concerned that these schools are not getting adequate financial support from the Federal Government at this point.

In previous discussions with the Bureau of Indian Affairs, they have indicated that in general they were opposed to the previous legislation that was introduced on behalf of the Indian community colleges, citing the Snyder Act as being sufficient authority to assist the colleges.

We found that on record, the reality does not support this context, in that assistance through that particular mechanism is not forthcoming at the levels we feel it should be and the manner of distribution to the schools is a concern also. We just mention that as pointing up another need for us, a separate specific authority through the legislative process to help these colleges.

Recently when Public Law 93-638, the Indian Self-Determination Educational Assistance Act, was passed we had great hopes through that particular legislation that some form of support would be forthcoming, and this was based on the clause contained in Title II of that act under section 203-4, that called for the Secretary of Interior, meaning the Bureau of Indian Affairs, I would assume, to come up with a report of a specific program and legislative recommendations to support the development and improvement of these colleges.

To the best of our knowledge that report has never been submitted. Again, that is another reason we feel some sort of specific authority needs to be laid out to the bureaucracy to lend the kind of assistance that we need. We are firmly convinced that the Bureau of Indian Affairs, for instance, does not intend to expand their present limited assistance to the Indian colleges or to make any other special effort on our behalf without this kind of specific legislative authority.

Just to close my summarization, we feel that the passage of the Navajo Community College Act in 1971 reinforced our views on the general concept of Federal support to Indian institutions.

Title III of that—some of our member institutions participate—Title III of the Higher Education Act of 1975 is another form of Federal institutional support, we feel. Just as an example of the kind of legislative authority we are talking about, I make reference here to Senate bill 1215, introduced on April 1. Just to summarize the major provisions, it authorizes grants to Indian-controlled postsecondary institutions, it specifies eligibility requirements in terms of tribal control, and it provides statutory formula for the allocation and distribution of grants. It provides for a report to be done on the facilities needs, construction assessments, and so forth. Of course, it provides for appropriations to carry out the provisions of the act.

That summarizes the text of my written testimony, Mr. Chairman. At this point I will close my remarks.

[The prepared statement of Mr. Horse follows:]

American Indian Higher Education Consortium

STATEMENT
ON FEDERAL SUPPORT TO INDIAN HIGHER EDUCATION INSTITUTIONS

SUBMITTED TO
HOUSE SUBCOMMITTEE ON ELEMENTARY,
SECONDARY AND VOCATIONAL EDUCATION
AND
ADVISORY STUDY GROUP ON INDIAN EDUCATION
OF THE HOUSE COMMITTEE ON EDUCATION AND LABOR

SUBMITTED BY
AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM
1626 HIGH STREET
DENVER, COLORADO 80218

MAY 19, 1977

American Indian Higher Education Consortium

STATEMENT OF PERRY G. HORSE, ACTING EXECUTIVE DIRECTOR
AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM
DENVER, COLORADO
May 19, 1977

Mr. Chairman, and members of this subcommittee, my name is Perry Horse. I am the Acting Executive Director of the American Indian Higher Education Consortium staff. With me today on this discussion panel are: Ms. Phyllis Howard, Director of the Fort Berthold College Center at New Town, North Dakota and President of the Consortium; Mr. Lionel Bordeaux, President of Sinte Gleska College at Rosebud, South Dakota; Mr. Donald McCabe, President of Navajo Community College at Tsaile, Arizona; and Mr. Carl Todacheene, Chairman of the Board of Regents of Navajo Community College. Collectively and individually, these Indian educational leaders represent a significant store of expertise in the area of Indian community college development.

The Consortium is a non-profit, educational organization whose membership is comprised of 12 Indian community colleges that are located in the states of Alaska, Arizona, California, Nebraska, North Dakota, and South Dakota. The organization was formed in 1972 with a view toward mobilizing a concerted effort to deal with developmental problems common to all the member institutions. Our staff is based in Denver, Colorado and works to provide a variety of services to the member colleges to assist them in strengthening certain aspects of their programs. We also strive to generate augmenting resources for the colleges' overall development efforts and have most recently assumed a more visible advocacy role on their behalf.

We appreciate this opportunity to discuss our views regarding Federal support to Indian higher education institutions. This is a timely opportunity to communicate directly with Members of Congress and perhaps make the

Legislative Branch more aware of the Indian postsecondary institutions, their operational and developmental needs, and their role in American Indian and Alaska Native higher education.

Before getting to the heart of my testimony today, a few words for the record about the general background of the Indian community colleges would seem to be in order.

These institutions arrived only recently on the educational scene in this country. Navajo Community College, the first of the Indian colleges, was established in July of 1968 after a feasibility study conducted by the Navajo Tribe and the Bureau of Educational Research and Services of Arizona State University determined the need for such an institution.

Other Indian communities saw their needs being fulfilled by the community college concept. Hehaka Sapa College of D-Q University at Davis, California, in the Spring of 1970, began holding classes in an abandoned Army communications facility for off-reservation Indians.

Similarly, the various Sioux tribes established local postsecondary institutions to serve over 23,000 rural Sioux people dispersed over a 9,000 square mile area. In areas continually plagued with poor transportation, the concept of centralized campuses was infeasible. Lakota Higher Education Center, now Oglala Sioux Community College, began offering classes in 1971 in various facilities in the outlying districts of the Pine Ridge Sioux Reservation. Also in 1971, Sinte Gleska College on the Rosebud Sioux Reservation, began offering classes. These two schools serve a dozen or more communities scattered across the 5,000 square miles of those adjoining reservations, and they now serve over 1,000 full-time and part-time students.

Other tribes soon followed with their own community-based postsecondary educational centers. Among these are the other members of the Consortium:

American Indian Satellite Community College, Winnebago, Nebraska; Cheyenne River Community College, Eagle Butte, South Dakota; Fort Berthold College Center, New Town, North Dakota; Inupiat University of the Arctic, Barrow, Alaska; Little Hoop Community College, Fort Totten, North Dakota; Sisseton-Wahpeton College Center, Sisseton, South Dakota; Standing Rock Community College, Fort Yates, North Dakota; and Turtle Mountain Community College, Belcourt, North Dakota.

These institutions reflect an important new facet of higher education for American Indians. It is our view that they play a unique role in the educational scheme of things in those areas where they are located. Some of their distinguishing characteristics are: they are governed by all-Indian boards of directors or regents, their student enrollments are predominately Indian, and perhaps of primary importance, they are meeting a long-standing need for localized postsecondary educational opportunities that are not only accessible and economical, but are geared to the needs of the communities concerned as well as to the individual students.

They emphasize quality and maintain high standards of student achievement for those enrolled in traditional academic pursuits such as Associate of Arts degree programs. At the same time they remain flexible enough in their other program offerings to address individualized needs in such diverse areas of adult education, directed studies, GED preparation, cooperative education, specialized workshops, and other types of community education services. As part of their continuing effort to insure quality and student/consumer protection, the Consortium member institutions are working to strengthen their accreditation status.

At present, one college is fully accredited by the North Central Accreditation Association, three are recognized as candidates for accreditation, and there are indications that at least one more institution may gain candidate status by next year. The others are affiliated with larger, sponsoring institutions for course accreditation purposes. Exploratory activity is also underway by the Consortium staff into the possibility of establishing a separate Indian accreditation association as an additional safeguard in the matter of quality control based largely on the concept of peer review and in light of certain aspects directly related to the unique cultural heritage of the tribes involved.

Against the backdrop of meager resources and other impediments, the success of these colleges is most impressive. Operating without benefit of endowments or other stable sources of financial support, they have demonstrated a vitality that goes beyond enrollments, course offerings, student achievement, physical plant facilities, and other quantifiable factors. They are sources of community pride and stand as tangible evidence of self-determination in educational matters.

The very fact of their existence, the contribution they are making to betterment of their communities, and the potential they have for future impact on American Indian and Alaska Native society compels us to seek your assistance in establishing clear legislative authority for Federal support to Indian higher education institutions. Indian community colleges are now at a point where stable funding is crucial to their operation, development, and improvement. And it is important that the Indian colleges have their own official funding authority through specific legislation.

The concept of federal support for these institutions is rooted in the trust responsibility of the United States government for Indian tribes. Historically, the Snyder Act (25 U.S.C. 13) authorizes the Bureau of Indian Affairs to "direct, supervise and expend such monies as Congress may appropriate for the benefit, care and assistance of the Indians for the following purposes: general support and civilization, including education".

Under the authority of the Snyder Act, operational funds are provided to three postsecondary institutions run by the Bureau of Indian Affairs. These are: Haskell Junior College, an accredited two-year institution in Lawrence, Kansas; the Southwestern Indian Polytechnic Institute, a vocational-technical institution in Albuquerque, New Mexico; and the Institute of American Indian Arts in Santa Fe, New Mexico. None of these schools is reservation-based.

Also under the authority of the Snyder Act, limited operational funds were originally provided to four reservation-based postsecondary institutions. Among these are two member colleges of the Consortium: Oglala Sioux Community College and Sinte Gleska College, both in South Dakota.

While this may seem to be adequate authority and precedent for the funding of other colleges, experience has proven otherwise. As earlier stated, this was limited funding. The two Consortium member colleges in South Dakota, for instance, originally received $200,000 in operational funding from the BIA.

Under contract authority of Public Law 93-638, these schools now receive about 30% of their operational support through the Bureau. These schools now have a specific budget line item under their Area Office. But due to the nature of the band analysis process, the funding levels have been consistently tenuous and inadequate.

None of the four Indian colleges in North Dakota receive basic operational support from the Bureau of Indian Affairs. This situation occurs although statistics in a recent report of the North Dakota Indian Affairs Commission indicate that of a total of 905 Indian students enrolled in North Dakota Colleges in 1976-77, 451, about half the total number, were enrolled in the Indian colleges. Nor do the remainder of the Consortium colleges receive operational support from the Bureau, except for Navajo Community College.

Aside from gross inconsistency in the selective or arbitrary funding of Indian colleges under Snyder Act authority, these is another problem with obtaining such funding. And that is trying to work one's institution into the rather cumbersome budgeting system presently utilized by the Bureau of Indian Affairs, which is referred to as the "band analysis" process.

The first problem encountered is that of even getting on the band analysis for the tribe concerned.

Secondly, there is nothing in the process that guarantees a reasonable base figure for a college once it is included. The base figure is usually derived from the unobligated allocations in other programs. To get into the band analysis, there have to be savings in other programs. Thus there exists a situation that an institution starts out by competing with other vital tribal programs such as natural resources and economic development, manpower training, construction, tribal operations, law enforcement, scholarship assistance, etc.

Since these tentative allocations are used as starters in the budget process, there is no guarantee that they will exist in the next year's budget. If they do exist, because funding is maintained each year at the same level, any increases must be requested as add-ons. It is difficult to even get into the process. It is more difficult to get an add-on.

Budget requests going from the tribe may include specific request for college operations. However, the gross appropriations are determined at the BIA Area Office level, which is the first level of the BIA bureaucracy below the Washington level. If no specific line item for college operation exists at the Area Office level, these requests are combined with the aggregate line budget item for Higher Education which includes student assistance and scholarships.

At the Area Office level, the band analysis is susceptible to distortion in that these line items are prioritized based on the requests from other tribes included in that Area Office's jurisdiction. If higher education is prioritized at a lower level with other tribes for instance, that is reflected as a lowering of the allocation for higher education in general. There ensues a situation where all the higher education funds for each tribe must then be reallocated proportionately. So if a cut is made, the college is competing with student assistance and scholarships for what is left of the higher education allocation at the tribal level. Since student assistance and scholarships were in the band first, they would receive priority ahead of college operating support. This causes a serious instability in funding which could jeopardize the institution severely. Additionally, most band items are maintenance functions. In a college, the enrollment is contingent on what can be offered. Such instability effectively inhibits program planning.

Indeed, legislation has been introduced in the Senate to amend the Navajo Community College Act, Public Law 92-189, to provide direct appropriations, based on a statutory formula, to the college. The sponsors of the amendment recognize as "unreasonable and unacceptable" the inclusion of the college's funding within the framework of the Bureau's allocation to the tribe. Furthermore, the applicability of the band-analysis process is negated by the statutory formula for allocations.

This only points out the need for a separate, specific legislative authority for operational funding for Indian colleges.

More recently, the Indian Self-Determination and Educational Assistance Act (P.L. 93-638), enacted by Congress in 1975, mandates that the Bureau of Indian Affairs prepare "a specific program, together with detailed legislative recommendations, to assist the development and administration of Indian-controlled community colleges". This provision, under Title II, Section 203.4

of the Act, stipulated that the report be submitted to Congress no later than October 1, 1975. To the best of our knowledge no such report or legislative recommendations have been submitted.

As a preliminary follow-up to the legislative requirement mentioned above, the Bureau of Indian Affairs contracted with the American Indian Higher Education Consortium to conduct a survey on the extent of community college development in selected Indian and Alaskan Native communities. The purpose of the survey was to collect information and quantitative data on which the Bureau could base its report. Through the survey the Consortium amassed a great deal of data under 12 categories specified by the BIA dealing with institutional profiles, as well as data on community attitudes concerning the need for locally based higher education centers. The extensive study was conducted over a three-month period from May through August. The five-volume survey report was turned over to the Bureau on September 1, 1975.

We are convinced that the Bureau of Indian Affairs does not intend to expand its present limited assistance to Indian colleges or make any effort in their behalf without specific legislative direction.

The concept of Federal support to Indian higher education institutions was reinforced in 1971 by enactment of the Navajo Community College Act. That Act culminated three years of work by the Navajo Tribe to secure its passage. Prior to 1970, as has been noted, Navajo Community College was the only Indian institution of its kind.

Title III of the Higher Education Act of 1965 represents another form of supplemental Federal support. At least seven of the twelve Consortium institutions have benefitted either directly or indirectly from Title III mainly through bilateral contractual arrangements with state and private institutions. Such arrangements have facilitated institutional planning and development, as well as paved the way for extension courses taught by adjunct faculty directly on the reservations. Without the kind of support available through the Basic Institutional Development Program (Title III), many of the Indian colleges would have faced severe financial problems at a crucial stage of their initial development.

Previously, we have participated in developing some ideas on the basic content of supportive legislation in terms of specific provisions. You are no doubt aware that Senate Bill 1215 was introduced on April 1 of this year. The major provisions of that particular Bill can be summarized as follows:

1. It authorizes grants to tribal institutions of postsecondary education for basic operating costs,

2. It specifies eligibility requirements for grant recipients in terms of tribal control and basic educational standards,

3. It provides a statutory formula for grant awards,

4. It mandates a report on existing and planned physical plant facilities; such report to include recommendations for improvement or addition of needed facilities, and

5. It authorizes appropriations needed to carry out its provisions.

Senate Bill 1215 evolved out of previous input from Consortium representatives and other interested parties. It is referred to here as an example of the kind of specific legislative authority we are seeking.

We would like to mention also that a similar bill to assist Indian colleges was introduced in the House during the ninty-fourth Congress. However, that particular bill was not given sufficient consideration due to the deliberations involving the Higher Education Act. We hope that in this new Congress that our needs are given greater consideration and action.

This concludes the text of my written remarks. Thank you very much.

Mr. **Blouin**. Thank you.

I just did some quick checking and found out that report that you referred to in Title II of 93-638 was due from HEW in 1976. It has not been submitted, to our knowledge. We are going to find out why.

Mr. **Quie**. I think 1976 was a 1-year extension; it was due in 1975. 1975.

Mr. **Blouin**. It was due in 1975?

Mr. **Quie**. Yes.

Mr. **Blouin**. I can assure you we will do our darnedest to find out why.

Our next witness is Mr. Donald McCabe, President of the Navajo Community College. I understand Carl Todacheene is here as well, if you would like to have him with you.

Mr. **McCabe**. Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, I would like to introduce Carl Todacheene to present a short statement. He is President of the Board of Regents of the Navajo Community College.

Mr. **Blouin**. Your entire testimony will be submitted for the record. Feel free to summarize any way you wish,

[The prepared statement of Mr. Todacheene follows:]

TESTIMONY SUBMITTED

BY

CARL TODACHEENE, PRESIDENT OF
THE BOARD OF REGENTS
NAVAJO COMMUNITY COLLEGE
TSAILE, NAVAJO NATION, ARIZONA

TO

CONGRESSMAN MICHAEL T. BLOUIN, CHAIRMAN
ADVISORY STUDY GROUP ON INDIAN
EDUCATION
COMMITTEE ON EDUCATION & LABOR

MR. CHAIRMAN, MEMBERS OF THE ADVISORY STUDY GROUP ON INDIAN EDUCATION, MY NAME IS CARL TODACHEENE AND I AM THE PRESIDENT OF THE BOARD OF REGENTS, NAVAJO COMMUNITY COLLEGE. NAVAJO COMMUNITY COLLEGE WAS FOUNDED, ESTABLISHED AND CHARTERED BY THE NAVAJO TRIBAL COUNCIL IN 1968. THE REASON FOR THIS HISTORIC ACTION CAME ABOUT BECAUSE THE NAVAJO TRIBAL COUNCIL BECAME CONCERNED ABOUT THE MANY NAVAJOS WHO FOR VARIOUS REASONS DROPPED OUT OF SCHOOL OR WHO DID NOT HAVE THE MEANS TO PURSUE HIGHER EDUCATION AWAY FROM THE RESERVATION. THE TRIBAL COUNCIL CLEARLY SAW THE NEED FOR EDUCATION AND TRAINING BEYOND HIGH SCHOOL IF THE NAVAJO NATION WAS TO IMPROVE ITS SOCIAL AND ECONOMIC CONDITIONS ON THE RESERVATION.

OF COURSE, BEFORE TAKING THE ACTION OF CHARTERING THE COMMUNITY COLLEGE, THE TRIBAL COUNCIL REQUIRED INFORMATION, STATISTICS, ETC., TO ASSURE ITSELF THAT SUCH AN UNDERTAKING WAS FEASIBLE AND COULD BE SUCCESSFUL. AFTER A FEASIBILITY STUDY WAS COMPLETED WHICH INDICATED THAT THE TRIBE NEEDED SUCH A PROGRAM AND COULD GENERATE THE RESOURCES AND PROVIDE EDUCATION OPPORTUNITIES TO MANY NAVAJOS, THE COLLEGE WAS CHARTERED.

I WANT TO EMPHASIZE ESPECIALLY THAT NAVAJO COMMUNITY COLLEGE IS A COMMUNITY COLLEGE IN THE TRUE SENSE OF THE WORD. MANY OF THE COURSES OFFERED ARE PROVIDED BECAUSE THE RESIDENTS OF THE RESERVATION COMMUNITIES HAVE REQUESTED IT. IN ADDITION TO A REGULAR JUNIOR COLLEGE PROGRAM FOR AN ASSOCIATE OF ARTS DEGREE, THE COLLEGE PROVIDES NUMEROUS OTHER COURSES IN ADULT EDUCATION PROGRAMS, GED, ARTS AND CRAFTS, CULTURAL AND LANGUAGE STUDIES. THE BOARD OF REGENTS FEEL THAT ONLY THROUGH KNOWLEDGE

AND PRIDE IN ONE'S CULTURAL HISTORY CAN ONE SUCCESSFULLY WORK AND LIVE IN THE LARGER WORLD COMMUNITY OUTSIDE THE RESERVATION. NCC IS NOT AN EXERCISE IN SEGREGATED EDUCATION AND TRAINING FOR WE ACCEPT ANYONE WHO COMES. LIKE EVERY COMMUNITY, TOWN, CITY, STATE AND NATION, WE WANT TO PROVIDE EDUCATION AND TRAINING THAT IS MEANINGFUL, APPROPRIATE AND ON OUR TERMS FOR OUR RESERVATION AND MOST IMPORTANT, WE WANT TO TEACH OUR YOUNG PEOPLE OUR RICH CULTURAL HERITAGE, WE WANT OUR YOUNG PEOPLE TO BE PROUD AND CONFIDENT IN KNOWING WHO THEY ARE AND WITH SUCH PRIDE AND CONFIDENCE JOIN THE MAINSTREAM, IF THEY WISH, AND PURSUE A LIFESTYLE THAT'S ON A PAR WITH EVERYONE ELSE IN AMERICA.

NAVAJO COMMUNITY COLLEGE IS PLAYING A UNIQUE AND IMPORTANT ROLE IN POSTSECONDARY EDUCATION ON THE NAVAJO RESERVATION. FOR YEARS, UNDER THE GUIDANCE AND DIRECTION OF OTHERS, WE INDIANS RECEIVED TRAINING AND EDUCATION THE SAME AS THAT TAUGHT TO NON-INDIAN AMERICANS. THIS WAS AT THE EXPENSE OF FORGETTING OUR OWN RICH HERITAGE. IN THE ACTIVITIES WE PROVIDE AT NAVAJO COMMUNITY COLLEGE WE ARE ATTEMPTING TO REVERSE THIS, WITH UNDERSTANDING AND COOPERATION FROM THE CONGRESS, WE CAN REALIZE OUR GOALS. IN CLOSING, I JUST WANT TO REMIND THE CONGRESS THAT WHENEVER YOU READ STATISTICS ABOUT INDIANS, WE ARE THE LEAST EDUCATED, WORST HOUSED, DIE YOUNG, HAVE MORE SICKNESS AND SO ON. UNDER PROGRAMS IN POSTSECONDARY EDUCATION AND TRAINING WE HOPE TO CHANGE THIS. WE INVITE YOUR PARTNERSHIP TO HELP US HELP OURSELVES.

THANK YOU.

TESTIMONY SUBMITTED BY DONALD A. MCCABE, PRESIDENT, NAVAJO COMMUNITY COLLEGE, TSAILE, NAVAJO NATION, ARIZ.

MR. CHAIRMAN, MY NAME IS DONALD A. MCCABE AND I AM THE PRESIDENT OF NAVAJO COMMUNITY COLLEGE. WHAT MR. TODACHEENE SAID IN DESCRIBING THE REASONS WHY NAVAJO COMMUNITY COLLEGE WAS ESTABLISHED AND THE MANNER IN WHICH WE ARE PURSUING THE EDUCATION AND TRAINING OF YOUNG NAVAJOS IS VERY TRUE.

I WOULD LIKE TO TOUCH ON A NUMBER OF THINGS REGARDING POSTSECONDARY EDUCATION ON THE NAVAJO RESERVATION BEFORE GETTING INTO DISCUSSING H.R.3827 WHICH IS PENDING BEFORE THE CONGRESS. IN ORDER TO PUT THINGS INTO PERSPECTIVE I MUST POINT OUT THAT THE NAVAJO RESERVATION IS EQUIVALENT IN SIZE TO THE STATE OF WEST VIRGINIA AND IS LOCATED WITHIN THREE STATES---ARIZONA, NEW MEXICO AND UTAH. THE POPULATION IS ALREADY IN EXCESS OF 150,000 WITH THE MAJORITY OF THE RESIDENTS BEING TWENTY-ONE YEARS OR UNDER. ANNUAL PER CAPITA INCOME IS ABOUT $900 AND UNEMPLOYMENT RANGES FROM 20% TO ABOUT 40%. NOTE THAT THE 20% IS ABOUT THREE TIMES HIGHER THAN THE NATIONAL AVERAGE. AVERAGE EDUCATION LEVEL FOR ALL NAVAJOS IS SIXTH GRADE AND THE MEDIAN AGE IS 45 FOR BOTH SEXES. MOST HOMES ARE CONSIDERED SUBSTANDARD AND OTHER THAN PRIMARY ROADS, MOST ROADS ARE UNPAVED. (NAVAJO STATISTICAL CENTER, WINDOW ROCK, ARIZONA) THESE ARE THE KINDS OF STAISTICS THAT MR. TODACHEENE ALLUDED TO IN HIS STATEMENT.

THESE STATISTICS COMPEL THE NAVAJO TRIBE THROUGH NCC TO ADDRESS EDUCATION AND TRAINING NEEDS SO THAT SUCH CONDITIONS MAY BE REDUCED OR ERADICATED. THE PRIMARY CHARGE THAN OF NAVAJO COMMUNITY COLLEGE BECOMES ONE OF PROVIDING EDUCATION AND

TRAINING OPPORTUNITIES RIGHT AT HOME OR AS CLOSE TO HOME AS MAY BE PRACTICAL AND ECONOMICAL. SINCE THE COLLEGE IS CHARTERED, OWNED AND OPERATED BY THE TRIBE, NAVAJO COMMUNITY COLLEGE IS LOOKED UPON TO PROVIDE EDUCATION AND TRAINING OPPORTUNITIES IN A WIDE SPECTRUM, I.E., ANY TRAINING OR EDUCATION THAT WILL LEND TO IMPROVING ONE'S SOCIO-ECONOMIC STATUS. OUR STUDENTS RANGE IN AGE FROM 17 THROUGH 60 AND COME TO PARTICIPATE IN OUR PROGRAMS OUT OF AN URGENCY TO IMPROVE ONESELF. WHILE MANY ATTEND OUR CLASSES TO PURSUE A JUNIOR COLLEGE DEGREE MANY MORE COME FOR PERSONAL REASONS. THE POINT I WANT TO EMPHASIZE IS THAT THE STUDENTS WHO COME TO NCC COME VOLUNTARILY, NOT BECAUSE STATE LAW OR FEDERAL REGULATIONS REQUIRES IT. WE ESTIMATE THAT THERE ARE OVER 50,000 NAVAJOS TODAY BETWEEN THE AGES OF 17 AND 34 INCLUSIVE. THIS IS OUR PRIMARY TARGET GROUP AND IF, AS MR. TODACHEENE SAID, THE NAVAJOS ARE TO TAKE THEIR PLACE IN THE AMERICAN MAINSTREAM, THEY MUST HAVE THE OPPORTUNITY TO GAIN AN EDUCATIONAL OR TRAINING EXPERIENCE WHICH EQUIPS THEM TO CONFIDANTLY LIVE IN THE MAJOR SOCIETY. OF IMPORTAANCE TOO IS THAT AS THE NAVAJO NATION GROWS AND PROSPERS, IT MUST HAVE NAVAJOS TO MANAGE AND ADMINISTER THE MANY TRIBAL PROGRAMS. NCC HOPES TO FULFILL ITS CHARGE TO PROVIDE EDUCATION AND TRAINING RIGHT AT HOME SO THAT THE FUTURE OF THE NAVAJO NATION IS ASSURED.

I WOULD LIKE NOW TO TURN TO H.R.3827 AND TALK SPECIFICALLY ABOUT HOW THE NAVAJO TRIBE SEEKS TO ADDRESS THE PROBLEMS AND CONDITIONS DESCRIBED ABOVE. CERTAINLY, THE NEED FOR POSTSECONDARY PROGRAMS ON THE NAVAJO ARE VERY EVIDENT AND WHILE WE DON'T WISH

TO SOUND REDUNDANT, I'D LIKE TO INVITE YOUR ATTENTION TO THE BOOKLET WHICH IS A PART OF OUR PACKAGE. WITHIN THE PAGES OF THIS BOOKLET WE ENUMERATE VARIOUS STATISTICAL INFORMATION AND OTHER CONDITIONS WHICH WE SPOKE OF EARLIER. THIS BOOKLET HAS BEEN UPDATED TO REFLECT THE PRESENT SITUATION AT THE COLLEGE AND YOU WILL FIND THE CURRENT INFORMATION INSIDE THE BACK COVER. NOTE THAT OUR FTE ENROLLMENT HAS GROWN FROM 551 IN 1969 TO A PROJECTED 2000 FOR 1978. ALSO THAT NCC IS FULLY ACCREDITED HAVING RECEIVED THIS RECOGNITION IN JULY 1977 BY THE NORTH CENTRAL ACCREDITATION ASSOCIATION. WE HAVE TRIED TO EXPLAIN AND DESCRIBE PREVIOUSLY THE SOCIO-ECONOMIC CONDITIONS, AND IN ORDER TO PROVIDE THE GROWING DEMANDS OF POSTSECONDARY PROGRAMS WE HAVE HAD H.R.3827 INTRODUCED IN THE CONGRESS BY OUR CONGRESSMAN, MR. ELDEN RUDD. ALL OF THE OTHER CONGRESSMEN FROM ARIZONA AND NEW MEXICO ARE CO-SPONSORERS.

SPECIFICALLY WE ARE REQUESTING THESE AMENDMENTS TO MEET OUR GROWING NEEDS BY CONSTRUCTING FACILITIES IN VARIOUS PARTS OF THE RESERVATION IN ORDER TO ACCOMMODATE OUR INCREASING ENROLLMENT. WE ARE SEEKING AUTHORIZATIONS OF $52.5 MILLION OVER A FIVE YEAR PERIOD TO CONSTRUCT TWO BRANCH CAMPUSES. ONE AT SHIPROCK, NEW MEXICO WHERE WE ALREADY HAVE TEMPORARY FACILITIES AND THE OTHER AT TUBA CITY, ARIZONA. IN ADDITION, WE HOPE TO CONSTRUCT FIVE CENTERS IN STRATEGICALLY LOCATED POPULATION DENSITY AREAS TO PROVIDE EXTENSION COURSES AND SO FORTH. EVENTUALLY, AFTER ALL THESE FACILITIES BECOME AVAILABLE FOR USE WE WILL BE PROVIDING EDUCATION AND TRAINING OPPORTUNITIES FOR OVER 3000 NAVAJOS AND OTHERS.

WE ALSO SEEK BY AMENDING THE NAVAJO COMMUNITY COLLEGE ACT, TO OBTAIN FUNDING FOR OPERATION AND MAINTENANCE WHICH IS COMPARABLE TO THE AMOUNTS EXPENDED BY THE BUREAU OF INDIAN AFFAIRS IN OPERATING THREE POSTSECONDARY INSTITUTIONS. OVER THE YEARS SINCE THE ENACTMENT OF THE NCC ACT, WE HAVE HAD DIFFICULTIES IN OBTAINING THE "AVERAGE AMOUNT" EXPENDED BY BIA TO OPERATE THESE THREE SCHOOLS. WE HOPE THAT BY GETTING A SIMILAR PER STUDENT COSTS ALLOCATION THAT WE WILL BE ABLE TO PROVIDE TRAINING AND EDUCATION PROGRAMS THAT ARE EFFECTIVE, EFFICIENT AND MOST IMPORTANT MEANINGFUL AND BENEFICIAL TO OUR STUDENTS.

NAVAJO COMMUNITY COLLEGE ALSO SEEKS TO HAVE LANGUAGE INCLUDED IN THE PROPOSED AMENDMENTS WHICH REQUIRES THE SECRETARY OF INTERIOR TO DEVELOP PROCEDURES TO ASSURE COMPLIANCE WITH THE ACT AND THEREBY CIRCUMVENT THE PROBLEMS WE HAVE HAD TO EXPERIENCE IN REGARDS TO BUDGET DEVELOPMENT, ALLOCATION AND IDENTIFICATION OF NCC MONIES AS GRANT FUNDS AND NOT FEDERAL PROJECT DOLLARS.

LASTLY, NCC PROPOSES THAT ANY FUNDS APPROPRIATED FOR CONSTRUCTION REMAIN AVAILABLE UNTIL EXPENDED. THE REASON FOR THIS IS THAT OFTEN THE CONSTRUCTION-PLANNING-BID PROCESS TAKES MORE THAN A YEAR. THEREFORE WE HOPE THE FUNDS ARE AVAILABLE TO PAY FOR ALL COSTS INCURRED EACH YEAR.

IN SUMMARY, NCC SEEKS THROUGH AMENDMENTS TO GAIN AUTHORIZATIONS OF $52.5 MILLION OVER A FIVE YEAR PERIOD TO CONSTRUCT:

1. TWO BRANCH CAMPUSES TO ACCOMMODATE 800 STUDENTS (400 AT EACH) AT A COST OF $13.3 MILLION EACH.
2. ADDITIONAL FACILITIES FOR OUR PRESENT CAMPUS AT TSAILE TO ACCOMMODATE 700 MORE RESIDENT STUDENTS AS WELL AS STAFF AND

FACULTY HOUSING, ADMINISTRATIVE OFFICES, MAINTENANCE BUILDINGS, WATER AND SEWER, STREET PAVING AND SO ON. UPON COMPLETION TSAILE WOULD ACCOMMODATE 1500 STUDENTS. COST IS ESTIMATED AT $10.4 MILLION.

3. CONSTRUCT FIVE DAY CLASS CENTERS TO ACCOMMODATE 150 STUDENTS AT EACH SITE FOR A TOTAL OF 750 STUDENTS AT A COST OF $26 MILLION EACH.

REGARDING AMENDMENTS TO MODIFY THE PRESENT LANGUAGE WE ARE PROPOSING THAT THE PRESENT WORDING IN THE ACT BE CHANGED FROM "...THAT DOES NOT EXCEED THE AVERAGE AMOUNT..." TO ...THAT IS EQUAL TO THE AVERAGE AMOUNT....

FURTHER, WE SEEK AN ADDITIONAL SECTION WHICH WOULD REQUIRE AND DIRECT THE SECRETARY OF INTERIOR TO DEVELOP A POLICY(S) OR PROCEDURES WHICH ASSURE THAT MONIES APPROPRIATED UNDER AUTHORITY OF THE NCC AMENDMENTS WILL BE EARMARKED FOR NCC AND THAT SUCH FUNDS WILL NOT BE COMMINGLED WITH REGULAR BIA APPROPRIATIONS DURING BUDGET DEVELOPMENT AND ALLOTMENT.

LASTLY, WE ARE REQUESTING THAT ANY MONIES APPROPRIATED FOR CONSTRUCTION REMAIN AVAILABLE UNTIL EXPENDED.

IN CLOSING, I WISH TO THANK YOU FOR YOUR PATIENCE AND UNDERSTANDING AND I HOPE THAT YOU WILL FIND OUR REQUEST WORTHY OF YOUR SUPPORT. I ALSO WANT TO INVITE EACH OF YOU TO OUR CAMPUS AT TSAILE, ARIZONA. IF YOU ACCEPT MY INVITATION YOU WILL LEARN FIRST HAND OF OUR LIFE STYLE, OUR CULTURE AND MEET OUR PEOPLE AND PERHAPS GAIN SOME INSIGHTS AS TO WHY OUR GOALS AND OBJECTIVES.

THANK YOU.

95th CONGRESS
1st Session

H. R. 3827

IN THE HOUSE OF REPRESENTATIVES

February 22, 1977

Mr. Rudd (for himself, Mr. Lujan, Mr. Rhodes, Mr. Runnels, Mr. Stump, and Mr. Udall) introduced the following bill; which was referred to the Committee on Education and Labor

---

A BILL

To amend the Navajo Community College Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act entitled "An Act to authorize grants for the Navajo Community College, and for other purposes", approved December 15, 1971 (85 Stat. 646), is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 4. (a) For the purpose of making grants under this Act, there are hereby authorized to be appropriated, for each of the fiscal years 1978, 1979, 1980, 1981, and 1982, the sum of $10,500,000 for construction, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations from 1976 construction costs as indicated by engineering cost indexes applicable to the types of construction involved.

"(b) There is further authorized to be appropriated to the Navajo Community College an annual sum for operation and maintenance of the college equal to the average amount of the per capita contribution made by the Federal Government to the education of Indian students at federally operated institutions of the same type.

"(c) The Secretary of Interior is authorized and directed to establish procedures to insure that all moneys appropriated under authority of this Act are properly identified for expenditure by Navajo Community College and that such funds are not commingled with appropriations historically expended by the Bureau of Indian Affairs for programs and projects normally provided on the Navajo Reservation or for Navajo beneficiaries.

"(d) Sums appropriated pursuant to this section for construction shall remain available until expended.".

95th CONGRESS
1st Session

H. R. 3827

A BILL

To amend the Navajo Community College Act.

By Mr. Rudd, Mr. Lujan, Mr. Rhodes, Mr. Runnels, Mr. Stump, and Mr. Udall

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February 22, 1977
Referred to the Committee on Education and Labor

STATEMENT OF CARL TODACHEENE

Mr. **Todacheene**. You have my statement, Mr. Chairman. In summary we want to say that, having experienced the support of the Federal Government as far as the Navajo Community College Act is concerned, I think it has proven that it can be done, where the Federal Government we feel is assisting us in fulfilling the treaty as mentioned by Mr. Horse. Our experience shows that this combination functions and produces results.

Therefore, speaking for the Board of Regents, we support the bill, S. 1215, insofar as the Navajo Tribe constitutes a fifth of the population of the American Indians, and certainly we feel that if such biii is authorized, that if it could be done on a per capita basis were the Navajo people are not overshadowed, so to speak, then we are in support of that particular bill.

We also would like to say that if that cannot be done, then I think we would like to exist under Public Law 92-189. We are also asking for an amendment under H.R. 3827, as of now. If it can be worked out, as I say, on a per capita contribution basis, made on the basis of the population of American Indian students enrolled in these individual institutions; we would then favor S. 1215. If it is not put on that basis, then we will follow the existing law under 92-189.

Thank you.

Mr. **Blouin**. Thank you.

Mr. McCabe.

STATEMENT OF DONALD McCABE

Mr. **McCabe**. Thank you.

I think it would be necessary to at this time to place some things in prespective.

First of all, I think the other tribes represented here are microcosms of the Navajo Tribe situation. They have the same problems we have, only ours are magnified many times. In this regard, I would like to submit some statistics.

For instance, the Navajo Tribe is approximately the size of the State of West Virginia; it is contiguous with the States of New Mexico, Arizona, and Utah; it has a population exceeding 150,000, and the majority of that population is under 21 years of age. Insofar as the economic conditions of the tribe are concerned, the annual per capita income is approximately $900 per year. The unemployment rate runs between 20 and 40 percent, which you will note is between three to six times that of the national average. The median educational level is about sixth grade. The median age for both sexes is about 45 years.

The living conditions, most of them, the living quarters and houses on the reservation are substandard; they lack plumbing, electricity, and running water. The road systems on the reservation are inadequate. They consist mainly of secondary roads which are impassable during inclement weather.

These are only some of the more prominent statistics which apply to the educational needs of the Navajos. In view of these statistics, you can see that the Navajo Tribe has a very cumbersome problem on its hands trying to deliver educational services with a meager amount of funds to a geographical area the size of the State of West Virginia.

The Navajo Tribe, through Navajo Community College, is trying to address these problems. They seek to educate the Navajo youth and any others who might wish to better themselves. They provide training to other people who want to upgrade their skills. It is hoped that through education and training these socio-economic conditions that exist on the reservation may be eradicated, or significantly reduced. Therefore, the primary charge of NCC is to provide education and training opportunities to the Navajo people on the reservation.

The Navajo Community College is chartered, owned and operated by the Navajo Tribe. It is charged with providing training and educaton for the needs of a wide spectrum of clients. The other charge is to provide training which would improve the socio-economic status of the Navajo people. Our students range in age from 17 to 60, and many of the purposes for which the students come to our school, a number seek AA degrees, others are transfer students, others come for other reasons, such as self-improvement, acquiring skills for better job opportunities. But it should be noted here that they all come voluntarily. They are not required by State law for Federal regulation.

I have only been president of the Navajo Community College since March 1. When I went there I noted they did not have a recruiting program, per se. They recruit very little, but at the same time it is significant to note that at the present time we have approximately 1,600 students enrolled in the two campuses of the Navajo Community College, with the full-time equivalent being in the neighborhood of 953 students.

It is also significant to note that the population, the potential population that we could serve, is 50,000 Navajos between the ages of 15 and 34, and it is our contention that if the Navajos are to enjoy the economic fruits of the free enterprise system, postsecondary education and training is a vital part of this effort. They provide the skills through which the Navajo people can begin to enjoy the fruits of the free enterprise system.

I think the needs of the Navajo people, the Navajo Nation, are unique, different from the other tribes in that we do have resources.

Our land mass is greater. At the present time we do have many activities going on on the reservation. There is mining, the extractive industries.

Since the energy crisis has come to the fore, there is a gasification plant which has plans to locate on the reservation, uranium has been discovered out there and is in the process of being mined; we have oil and gas. But the income from these resources does not meet the needs of the Navajo Nation. Therefore the types of opportunities which economic development would provide makes an additional burden upon the educational systems that prevail on the reservation at this time, in particular the Navajo Community College.

The Navajo Community College is expected to provide training so that the students will have job entry skills; it provides the necessary training and education so that the students can transfer. It also provides basic skills so that the Navajos will be able to manage the tremendous development that is now taking place on th reservation.

I think it significant that the enrollment of the Navajo Community College has grown from about 551 students in 1969 to a projected level of about 2,000 in 1978. As Mr. Horse alluded to or mentioned in his testimony, the Navajo Community College is a fully accredited college, receiving this recognition in 1976 by the North Central Accrediting Agency.

I think in addition to what Mr. Carl Todacheene has mentioned with respect to the legislation before Congress at this time, the Navajo Comunity College is seeking through amendment to gain authorization of at least $52.5 million over a 5-year period to, one, construct two branch campuses to accommodate 80 students at a cost of about $13.3 million each; additional facilities for our present campus to accommodate 700 more resident students as well as staff; faculty housing, administrative offices, maintenance, building water and sewer, street paving and so forth; so that upon completion it will be able to accommodate 1,500 resident students. This cost is estimated in the neighborhood of $10.4 million.

In addition to that, we have in our plans the construction of five-day class centers to accommodate 150 students at each site, these being strategically located throughout the reservation.

Furthermore, I think it only appropriate to mention at this time that the funding which we have been receiving is not on the same per capita basis as other tribes and, should we be included in the pending legislation of the Indian Community Colleges, it is our request that we not be penalized in any way. We support our sister colleges, we realize their needs. Their needs are similar to ours.

The other request we would make would be that the construction portion that we include in the amendments to the NCC Act would pertain to construction and not be eliminated.

I wish to thank you for your patience and for inviting us to come to testify to you. We hope we have provided some insight as to the problems we have on the Navajo Reservation. We also would like to assure you that there is an understanding that all tribes suffer the same types of problems insofar as education is concerned. We are all grossly underfunded. There are bottlenecks, there are restrictions which are difficult to live with but, nonetheless, I think you can see that with at least some 12 member colleges in the American Indian Higher Education Consortium, they are surviving, they are doing an important job educating the Indian population in the United States.

Thank you.

Mr. BLOUIN. Thank you very much.

Our third panelist is Dr. Lionel Bordeaux, President of the Sinte Gleska Community College.

Mr. BORDEAUX. Thank you.

[The prepared statement of Mr. Bordeaux follows:]

TESTIMONY

RESPECTFULLY SUBMITTED

BY

LIONEL R. BORDEAUX

PRESIDENT

SINTE GLESKA COLLEGE

ROSEBUD, SOUTH DAKOTA

AT

OVERSIGHT HEARINGS ON INDIAN EDUCATION

OF

SUBCOMMITTEE ON POSTSECONDARY EDUCATION

OF THE

HOUSE OF REPRESENTATIVES

COMMITTEE ON EDUCATION AND LABOR

MAY 19, 1977

Mr. Chairman, distinguished committee members, ladies and gentlemen, my name is Lionel R. Bordeaux. I am the President of Sinte Gleska College; located on the Rosebud Sioux Indian Reservation in South Dakota.

I appreciate the opportunity to present testimony at these oversight hearings on Indian education of the Subcommittee on Postsecondary Education of the House of Representatives Committee on Education and Labor.

The purpose of my testimony is to demonstrate the need for federal legislation providing grants for the development, operation, and improvement of Indian-controlled postsecondary educational institutions.

Today, Indian educational problems are critical and solutions must be both innovative and "high risk", if anything is to be done. For in no other ethnic minority group is there less literacy, more poverty, unemployment and under-education than in the Indian community.

In the past, Indian education policies have been imposed and undertaken by non-Indian administrators and educators with the assumption that the Indian was incapable of decision making and that the same approach was appropriate for all Indians, regardless of tribe. The disastrous results of these policies have been that the average grade-level achievement of the American Indian is five years, that first year the drop-out rate of those few Indians who reach college is seventy-four (74%); that only three percent (3%) of those entering college graduate; that only one of one hundred (100) Indian college graduates will achieve masters degree.

To help combat these educational tragedies, several Indian tribes have instituted their own Indian community colleges. These institutions of post-secondary education have the following unique characteristics:

1. They are located on reservations.
2. Their Board of Regents or Directors are comprised entirely

of Indians.

3. They have a majority of American Indian administrators and faculty.
4. They have almost totally Indian student bodies.
5. Their curricula are adapted to the individual tribal culture.
6. They are at liberty to be more innovative in both course content and instructional methodology.

It is the general view of these colleges that education should be a pragmatic approach to gaining and improving individual competencies and skills; that higher education programs at the local level should be flexible while maintaining those aspects of quality and responsiveness to what the people want.

In this endeavor, the colleges are moving to the forefront in developing program criteria which answer educational needs based in part on population variables, economic development concerns, social-service needs, and cultural (tribal) values. The entire Indian community college movement has been an organic process, conducive to dealing with immediate concerns while evolving a philosophical foundation on which to build models for problem solving for both immediate and long-range concerns.

Sinte Gleska College is such an institution of higher learning. It is a tribally chartered higher-education institution which was incorporated in the State of South Dakota as a non-profit organization in 1970. It operates on the Rosebud Sioux Indian Reservation in south-central South Dakota. The College was founded upon the philosophy of Indian control and determination of their own destiny. The founding persons desired to see their people given the opportunity to continue their education in an environment which would most likely lead to positive achievement.

The College provides accredited college-level courses and adult education programs to members of the area which it serves. Courses are contracted and offered with accreditation from Black Hills State College and the University of South Dakota on a resident credit basis. At the present time the College offers associate of Arts degrees in general studies, education, business education, human services, Indian studies, and nursing with the potential to expand into the area of natural resources. Sinte Gleska College plans to offer external baccalaureate degrees beginning next fall.

In the first semester of 1971, Sinte Gleska College enrolled 132 students with a volunteer staff. Today over 400 students are enrolled in academic courses while another 400 are enrolled in adult basic education classes. Staff has expanded to sixty-four (64) full-time members and twenty-six (26) part-time employees. Our total budget is approximately $1.1 million.

Physically, Sinte Gleska College operates on a dispersed learning approach. This means that classes must be dispersed or taken to the communities because the size of the reservation and the lack of transportation make it impossible for students to reach a central campus setting. The advantages of this type of model are:

1. A system that utilizes local community facilities and brings education directly into communities.
2. The need for only a small central administrative and faculty facility.
3. Use of local qualified and credentialed persons to teach courses. The majority of courses can be taught by part-time faculty paid per course taught, thereby eliminating the need for a full-time teaching staff.
4. Utilization of other colleges to provide accreditation and

consultation to maintain validity and quality of course work and programs.

We feel this type of model is viable and can be extremely effective. It also serves as an example to other Indian reservations as a worthy tribal venture in defining and validating Indian education.

On July 1, 1970, former President Nixon officially proclaimed the Indian Self-Determination Policy. The Congress of the United State has also recognized the need for Indian people to be responsible for their own educational programs by enactment of legislation such as the Indian Education Act of 1972, and the Indian Self-Determination and Education Assistance Act of 1975. Indian tribes and organizations have since been attempting to create and develop their own educational opportunities. Indian parents, educators, and tribal leaders are clamoring for recognition and involvement in the education that affects the lives of their children. They feel that they have relinquished this responsibility for too long. They point to the underachievement and ethnic alienation of their children under the present education system. Traditionally education has been viewed as the cornerstone upon which a community builds. Unfortunately the education of the Indian has always been devoid of this community involvement and recognition. Educational programs which affect the lives of children are rarely conceived, planned, operated or controlled by Indians.

Furthermore, all these problems have been rendered much more urgent by the recent Supreme Court decision in Rosebud v. Kneip which, in effect, removed three-fourths of the Rosebud Sioux Reservation as defined by Act of Congress in 1889 (Great Sioux Agreement) from the Rosebud Sioux Tribe. The two thousand (2,000) Rosebud Sioux Indians, now isolated in off-reservation communities, must depend more and more upon Sinte Gleska College to deliver to them the teachers, courses and educational materials necessary to their culture and circumstances. Indeed the entire Rosebud Sioux Tribe, shocked by this Supreme Court decision, is depending more and more upon the College to provide the people with the professional training, the competencies and the skills essential to the preservation of what is left of their land base, to tribal self-determination, even indeed to the very survival of the Tribe itself.

Financially, Sinte Gleska College is dependent upon the Bureau of Indian Affairs for its core budget which is less than thirty (30) percent of the total budget. Thereafter it attempts to seek funds from other sources to supplement the B.I.A. budget. Unfortunately this type of fragmented financial funding does not allow for proper educational planning or program stability and continuity. Sinte Gleska College receives little or no state funds for operation or from any other type of local tax support.

Despite these financial difficulties, however, Sinte Gleska College has received (April 15, 1977) Candidacy Status with the North Central Accreditation Association. We now have six years within which to qualify for full accreditation status. We do not, however, need six years; we would qualify in the immediate future if we simply had an adequate and secure financial base.

The amount of funds requested from the Bureau of Indian Affairs by Sinte Gleska College have never been fully granted, despite the fact that in testifying against legislation that would have provided specific funding for Indian colleges during the last Congress the Bureau stated that it had sufficiently authority under the Snyder Act to do so. Meanwhile, the College has continually received requests from its constituency and from various service agencies to expand its services to them. Moreover, in conjunction with the increased student enrollment, demands for more comprehensive student services and support have been voiced, More classes must be offered to meet the continuing education degree requirements of both full-time and part-time students as they progress toward their respective Associate and Bachelors degrees.

The following is a breakdown indicating the amount of funds requested contrasted with those actually received by the College from the Bureau of Indian Affairs for the 1973, 74, 75, 76; 77 and 78 fiscal years:

	REQUESTED	RECEIVED
FY 1973	$441,519	$200,000
FY 1974	$633,008	$300,000
FY 1975	$663,803	$300,000
FY 1976	$1,500,000	$300,000
FY 1977	$1,500,000	$300,000
FY 1978	$1,600,000	$293,500

We are currently engaged in working out planning year BFY 1979) funding with the BIA through its band-analysis process. Discussions thus far convince us that we will recieve, at best, only minimal increments for FY 1979.

Other sources of funding are even more uncertain (cf. appendage #1) The bulk of it comes from various Department of Health, Education and Welfare programs. Such funding is short-term in general, furthermore, to acquire it we are often forced into competeion with other institutions of higher education wherein our stage of development makes it difficult indeed for us to compete. We have worked out arrangements with program like Title III, Strengthening Developing Institutions, which have had successful results. But here again, this legislation is by its very nature short-term and we can not make any long-range plans based on it.

In the absence, therefore, of any other source of secure funding, Sinte Gleska College, like the other Indian colleges, feels the urgent need of specific federal legislation and appropriations providing secure long-term funding. Senators Abourezk, Burdick, DeConcini, Gravel and Jackson have introduced such a bill (S.1215) in the Senate. A copy of this bill is appended (#3).

I would like quickly to address some provisions of this bill. Appended (#2) is a budget forecast based on real needs for FY 1978. These needs will no doubt be much higher because we expect to build one new administration-academic complex and eleven community education centers which will increase our operation and maintenance costs. Still using our present FTE student enrollment, our income under S.1215 would be $1,031,000 leaving us over $500,000 short of our needs. For this reason, and for the reason that we still have so much ground to make up, we feel that we should continue to have access to funding under other federal titles.

Our cost per student is currently $2,007 per year. Cost per FTE student is $3,131. Administrative cost per FTE student is $1,407, faculty cost per student is $1,723. These figures compare favorably with similar costs at BIA controlled institutions of higher education.

Technical assistance money provided under Sec. 309 (b) would go to the twenty-five (25) or so tribes, and to others, now trying to initiate their own colleges.

We approve of Sec. 310 (a) of S.1215 because we feel it provides for equitable distribution of funds whatever the fiscal eventuality.

I would respectfully refer you to our larger written testimony, already submitted to this subcommittee, for other information and financial statistics concerning Sinte Gleska College. Our situation is, I believe, rather typical of that of other Indian colleges.

The Rosebud Sioux Tribe, and the other tribes, have brought their colleges to their present state of development under extreme difficulties and handicaps. Ours is a total commitment to success. We ask your help at this critical time.

Thank you,

Sinte Gleska College
Program Recap
For Year Ended June 30, 1976 Appendage No. 1

Funding Sources	Grant Number	Contract Period	Amount Of Award	Overhead Limitations
Department of Interior				
Bureau of Indian Affairs:				
Higher Education Program	[illegible]	7-1-75/6-30-76	230,[illegible]	None
Adult Education Services	[illegible]	7-1-75/6-30-76	31,400	None
Natural Resources Home Extension Program	[illegible]	7-1-75/6-30-76	41,400	None
Department of Health, Education & Welfare				
Office of Education:				
Title III, Strengthening Developing Institutions-Black Hills Bi-Lateral	G00-74-08402 (Sub-Grant OEG-0-7)	7-1-75/6-30-76	150,000	None Allowed
Title IV-B, Career and Cultural Awareness Development	G007500814	7-1-75/6-30-76	68,004	8%
Handicapped Teacher Education	G007401378	6-1-75/5-31-76	59,859	None
Office of Human Development:				
Service Delivery Systems For Developmentally Disabled	56-P-40232/8-02	6-30-75/6-29-76	48,720	None
Public Health Service:				
NIMH-Mental Health Service	5T49MH13295O3	7-1-75/6-30-76	26,808	8%
NIH-Nurse Training Improvement	08-2-000028-03-0 (Sub-Grant)	6-1-75/5-31-76	37,500	8%
IHS-Nurse Training Improvement	241-75-0577 (Sub-Contract)	6-30-75/6-29-76	43,528	None
Other				
State of South Dakota:				
Division of Elementary and Secondary Education:				
Preschool		7-1-75/6-30-76	13,540	None
Adult Basic Education		7-1-75/6-30-76	10,800	None
Adult Basic Education-Special Projects		11-1-75/6-30-76	8,550	None
Division of Mental Health & Mental Retardation:				
Development Disabilities		6-30-75/6-29-76	5,555	None

BUDGET FY 77-78 Appendix No. 2

[illegible]		
Travel & Per diem	$ 7,000	
Support & Expenses	$ 3,000	
TOTAL		$ 10,000
[illegible] OFFICE		
Personnel Costs	$ 33,376	
Fringe	$ 4,005	
Travel	$ 6,500	
Support & Expenses	$ 9,000	
TOTAL		$ 52,881
VICE PRESIDENTS' & DEVELOPMENT OFFICE		
Personnel Costs	$ 70,000	
Fringe	$ 8,400	
Travel	$ 6,000	
Support & Expenses	$ 9,000	
TOTAL		$ 93,400
BUSINESS OFFICE		
Personnel Costs	$ 47,520	
Fringe	$ 5,702	
Travel	$ 2,500	
Support & Expenses	$ 4,000	
TOTAL		$ 59,772
BOOKSTORE		
Personnel Costs	$ 7,000	
Fringe	$ 840	
Travel	$ 500	
Support & Expenses	$ 2,000	
TOTAL		$ 10,340
PURCHASE ORDER DEPARTMENT		
Personnel Costs	$ 12,000	
Fringe	$ 1,440	
Travel	$ 2,000	
Support & Expenses	$ 2,000	
TOTAL		$ 15,940
INFORMATION & COMMUNICATIONS OFFICE		
Personnel Costs	$ 17,660	
Fringe	$ 2,119	
Travel	$ 2,000	
Support & Expenses	$ 10,000	
TOTAL		$ 31,779

REGISTRAR'S OFFICE

Personnel Costs	$ 24,354
Fringe	$ 2,922
Travel	$ 1,500
Support & Expenses	$ 3,000
TOTAL	$ 31,776

STUDENT SERVICES

Personnel Costs	$ 47,485
Fringe	$ 5,695
Travel	$ 2,000
Support & Expenses	$ 6,000
TOTAL	$ 61,180

GENERAL STUDIES DEPARTMENT

Personnel Costs	$ 43,247
Fringe	$ 5,189
Travel	$ 2,000
Support & Expenses	$ 3,000
TOTAL	$ 53,436

BUSINESS EDUCATION DEPARTMENT

Personnel Costs	$ 45,635
Fringe	$ 5,476
Travel	$ 2,000
Support & Expenses	$ 5,000
TOTAL	$ 58,111

NURSING DEPARTMENT

Personnel Csots	$ 62,400
Fringe	$ 7,488
Travel	$ 7,000
Support & Expenses	$ 10,500
TOTAL	$ 87,388

INDIAN STUDIES DEPARTMENT

Personnel Costs	$ 49,351
Fringe	$ 5,992
Travel	$ 2,000
Support & Expenses	$ 5,500
TOTAL	$ 62 773

HUMAN SERVICES DEPARTMENT

Personnel Costs	$ 75,203
Fringe	$ 9,204
Travel	$ 2,500
Support & Expenses	$ 3,750
TOTAL	$ 90,477

[illegible] DEPARTMENT		
Personnel Costs	$ 73,016	
Fringe	$ 8,761	
Travel	$ 3,000	
Support & Expenses	$ 4,500	
TOTAL		$ 89,277
[illegible] & SCIENCE DEPARTMENT		
Personnel Costs	$ 43,688	
Fringe	$ 5,242	
Travel	$ 1,500	
Support & Expenses	$ 2,500	
TOTAL		$ 52,930
COMMUNITY EDUCATION		
Personnel Costs	$ 49,600	
Fringe	$ 5,952	
Travel	$ 5,000	
Support & Expenses	$ 62,000	
TOTAL		$ 122,552
ADULT BASIC EDUCATION		
Personnel Costs	$ 74,262	
Fringe	$ 8,911	
Travel	$ 2,000	
Support & Expenses	$ 2,000	
TOTAL		$ 87,173
[illegible] RESOURCES		
Personnel Costs	$ 61,013	
Fringe	$ 7,321	
Travel	$ 2,500	
Support & Expenses	$ 3,750	
TOTAL		$ 74,584
LIBRARY & MEDIA		
Personnel Costs	$ 68,332	
Fringe	$ 8,199	
Travel	$ 2,500	
Support & Expenses	$ 25,000	
TOTAL		$ 104,031
SERVICES TO THE HANDICAPPED		
Personnel Costs	$163,895	
Fringe	$ 19,667	
Travel	$ 6,600	
Support & Expenses	$ 30,000	
TOTAL		$220,162

[illegible]

[illegible] Costs	$ 30,000	
[illegible]	$ 3,999	
[illegible]	$ 12,600	
[illegible]	$ 23,000	
[illegible]		$ [illegible]

[illegible] Center

[illegible] Costs	$ 39,992	
[illegible]	$ 4,799	
[illegible]	$ 2,500	
[illegible] Expenses	$ 3,750	
[illegible]		$ 51,041,

[illegible] TOTAL	$1,880,983

SINTE GLESKA COLLEGE

INSTITUTIONAL ENROLLMENT

	1971	1971-2	1972-3	1973-4	1974-5	1975-6	1976-7	1977-8*
TOTAL ENROLLMENT	164	238	200	256	239	277	412	430
FTE ENROLLMENT		98	103	103	118	183	268	280

In addition, since 1971, the College has enabled over 650 reservation people to achieve their high-school-equivalency diplomas. During our annual commencement exercises in February, 1977, over one hundred students received their GEDs.

Appendage No. 5

RESOLUTION

WHEREAS, the President of the United States has stated it is the official policy of the government to promote and foster Indian self-determination in such endeavors as education, and

WHEREAS, the Congress of the United States has recognized the need for Indian people to be responsible for their own educational affairs by enactment of legislation such as the Indian Education Act of 1972, and, the Indian Self-Determination Act of 1975, and

WHEREAS, if these policies are to be effectively implemented and administered then Indian control of their own educational affairs is a necessity, and

WHEREAS, on January 23, 1971 the Rosebud Sioux Tribal Council officially chartered and established an institute of higher learning on the Rosebud Sioux Indian Reservation, and

WHEREAS, this institution, Sinte Gleska College, is governed by local Indian people who live in and are committed to the preservation and development of Indian self-determination and individual preparedness for economic livelihood, and

WHEREAS, Sinte Gleska College is committed to the provision of quality education to Indian people, and will continue to bring higher education to the Rosebud Sioux Reservation as long as sufficient funding is available, and

WHEREAS, permanent funding is being sought by the College through the development of legislation to insure a stable financial future for improved and expanded educational services, and

WHEREAS, continued and increased funding is presently being sought by the College from the Bureau of Indian Affairs for FY'76, and, thereafter through the authorization to appropriate and expend monies as provided under the provision of the Snyder Act (Public Law 67-85) of November 2, 1921, and

WHEREAS, the College needs continued Tribal Council support if it is to continue to develop and expand its educational services to all portions of the Rosebud Reservation benefitting the young and aged;

THEREFORE, BE IT RESOLVED, that the Rosebud Sioux Tribal Council appeals to all Congressional parties and staff to provide strong support for the enactment of legislation on behalf of Indian-controlled colleges such as Sinte Gleska College;

BE IT FURTHER RESOLVED, that the Rosebud Sioux Tribal Council appeals to all funding agencies, especially the Bureau of Indian Affairs, and Office of Education and other federal, state and private agencies to continue supporting Sinte Gleska College through contracting and the awarding of grants;

BE IT FURTHER RESOLVED, that the Rosebud Sioux Tribal Council appeals to and strongly urges the Commissioner of Indian Affairs, Department of Interior, to exercise all his vested authorities in the promotion and development of Sinte Gleska College as needed and within the limitations of the law.

CERTIFICATION

We, the undersigned Chairman of the Rosebud Sioux Tribe Education Committee, hereby certify that the Rosebud Sioux Tribal Education Committee is composed of 4 voting members present, constituting a quorum at a duly called and convened session of the Tribal Education Committee Meeting held May 21, 1975, at Rosebud, South Dakota, that the foregoing resolution was adopted by the affirmative vote of 4 in favor, none opposed and none not voting.

Christine Dunham
Christine Dunham, Chairwoman
Education Committee

Robert W. Waln, Chairman
Health, Education and Welfare Committee

CERTIFICATION

We, the undersigned, hereby certify that the Sinte Gleska College Board of Directors composed of nine (9) voting members of whom five (5) constituting a quorum were present at a duly called and convened session of the Board of Directors, May 19, 1975, at Rosebud, South Dakota, that the foregoing resolution was adopted by the affirmative vote of five (5) in favor, 0 opposed.

Stanley Red Bird, Chairman
Board of Directors

Dorothy M. Gregg
Dorothy M. Gregg, Secretary
Board of Directors

RESOLUTION NO. RS 74-57 **Appendage No. 6**

WHEREAS, The education of Indian people has for too long been in the hands of non-Indians; and

WHEREAS, The President of the United States has stated it is the official policy of the government to promote and foster Indian self-determination in all areas of endeavor; and

WHEREAS, The Congress of the United States has recognized the need for Indian people to be responsible for their own educational institutions by enactment of the Indian Education Act of 1972; and

WHEREAS, If these policies are to be effectively implemented, Indian control of their own educational institutions is an absolute necessity; and

WHEREAS, On January 23, 1971 the Rosebud Sioux Tribal Council officially chartered and established an institute of higher learning on the Rosebud Sioux Indian Reservation; and

WHEREAS, This institution, Sinte Gleska College Center, is governed by Indian persons who live in and are aware of the needs of their communities, and are committed to the preservation and development of Indianess; and

WHEREAS, Sinte Gleska College has committed itself to close cooperation with the Rosebud Sioux Tribal Council in bringing quality education to Indian people, and will continue to bring education to the Reservation; and

WHEREAS, Permanent funding is being sought by the Community College to insure a stable future for better program maintenance and development; and

WHEREAS, The College needs continued Tribal support if it is to continue to operate and expand to all parts of the Reservation; therefore, be it

RESOLVED, That the Rosebud Sioux Tribal Council reaffirms its total and complete support of the Sinte Gleska College Center; and, be it

RESOLVED FURTHER, That the Rosebud Sioux Tribal Council appeals to all funding agencies, federal, state and private, to continue and enhance their support of all existing and future programs at Sinte Gleska College.

CERTIFICATION

This is to certify that the above Resolution No. RS 74-57 was duly passed by the Rosebud Sioux Tribal Council in session, March 25, 1974, by a vote of 25 in favor, 1 excused and 1 not voting. The said resolution was adopted pursuant to authority vested in the Council by provisions of paragraph (t) of Section 1 of Article IV of the Constitution. A quorum was present.

RESOLUTION NO. RB 74-57
Page 2

Robert Burnette, President
Rosebud Sioux Tribe

ATTEST:

Norman L. Knox, Secretary
Rosebud Sioux Tribe

[illegible] 75-79 [illegible]

WHEREAS, the President of the United States has stated it is the official policy of the government to promote and foster Indian self-determination in such endeavors as education, and

WHEREAS, the Congress of the United States has recognized the need for Indian people to be responsible for their own educational affairs by enactment of legislation such as the Indian Education Act of 1972, and, the Indian Self-Determination Act of 1975, and

WHEREAS, if these policies are to be effectively implemented and administered then Indian control of their own educational institutions is a necessity, and

WHEREAS, on January 23, 1971 the Rosebud Sioux Tribal Council officially chartered and established an institute of higher learning on the Rosebud Sioux Indian Reservation, and

WHEREAS, this institution, Sinte Gleska College, is governed by local Indian people who live in and are committed to the preservation and development of Indian Self-determination and individual preparations for economic livelihood, and

WHEREAS, Sinte Gleska College is committed to the provision of quality education to Indian people, and will continue to bring higher education to the Rosebud Sioux Reservation as long as sufficient funding is available, and

WHEREAS, permanent funding is being sought by the College through the development of legislation to insure a stable financial future for improved and expanded educational services, and

WHEREAS, continued and increased funding is presently being sought by the College from the Bureau of Indian Affairs for FY' 76, and, thereafter through the authorization to appropriate and expend monies as provided under the provision of the Snyder Act (Public Law 67-85) of November 2, 1921, and

WHEREAS, the College needs continued Tribal Council support if it is to continue to develop and expand its educational services to all portions of the Rosebud Reservation benefitting the young and aged;

THEREFORE BE IT RESOLVED, that the Rosebud Sioux Tribal Council appeals to all Congressional parties and staff to provide strong support for the enactment of legislation on behalf of Indian-controlled colleges such as Sinte Gleska College;

BE IT FURTHER RESOLVED, that the Rosebud Sioux Tribal Council appeals to all funding agencies, especially the Bureau of Indian Affairs, and Office of Education and other federal, state and private agencies to continue supporting Sinte Gleska College through contracting and the awarding of grants;

Resolution NO 75-79
Page 2

BE IT FURTHER RESOLVED, that the Rosebud Sioux Tribal Council appeals to and strongly urges the Commissioner of Indian Affairs, Department of Interior, to exercise all his vested authorities, in the promotion and development of Sinte Gleska College as needed and within the limitations of the law.

CERTIFICATION

This is to certify that the above Resolution NO 75-79 was duly passed by the Rosebud Sioux Tribal Council in session, June 30, 1975, by a vote of 27 in favor and none opposed. The said resolution was adopted pursuant to authority vested in the Council by the provisions of paragraph (a) of Section 1 of Article IV of the Constitution. A quorum was present.

Robert P. Burnette, President
Rosebud Sioux Tribe

ATTEST:

Norman L. [illegible], Secretary
Rosebud Sioux Tribe

Noted and transmitted:
Simon S. [illegible]
Acting Superintendent JUL 11 1975

DATE SUBMITTED 7-16-75
TO ROSEBUD AGENCY SUPT.

95th CONGRESS
1st Session

S. 1215

IN THE SENATE OF THE UNITED STATES

APRIL 1 (legislative day, FEBRUARY 21), 1977

Mr. ABOUREZK (for himself, Mr. BURDICK, Mr. GRAVEL, Mr. DECONCINI, and Mr. JACKSON) introduced the following bill; which was read twice and referred to the Select Committee on Indian Affairs

---

A BILL

To provide for grants to Indian-controlled postsecondary educational institutions, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Indian Self-Determination and Education Assistance Act of January 4, 1975 (88 Stat. 2203) is amended by adding the following new title at the end thereof:

II

"TITLE III—THE INDIAN-CONTROLLED POST-SECONDARY EDUCATIONAL INSTITUTIONS ASSISTANCE ACT

"SHORT TITLE

"SEC. 301. This title may be cited as the 'Indian-Controlled Postsecondary Educational Institutions Assistance Act'.

"PURPOSES

"SEC. 302. It is the purpose of this title to provide grants for the development, operation, and improvement of Indian-controlled postsecondary educational institutions to insure continued and expanded educational opportunities for Indian students.

"GRANTS AUTHORIZED

"SEC. 303 (a) The Secretary of the Interior is authorized to make grants pursuant to this title to Indian-controlled educational institutions to aid in the postsecondary education of Indian students.

"(b) Grants made pursuant to this section may be used for the planning and development of educational programs and activities, basic operational costs, employment of instructional and administrative personnel, curriculum development, student services, and community service programs of Indian-controlled postsecondary educational institutions. Funds provided pursuant to this title shall not be used in connection with religious worship or instruction.

"ELIGIBLE GRANT RECIPIENTS

"SEC. 304. (a) To be eligible for assistance under this title an Indian-controlled postsecondary educational institution must be one which—

"(1) is formally endorsed by the governing body of an Indian tribe, or by a governmental subdivision or authorized education agency of an American Indian tribe, or by an Alaska Native community; and

"(2) has been in operation for not less than six months;

"(3) is governed by a board of directors or board of trustees which is composed entirely of American Indians;

"(4) has demonstrated adherence to stated goals, a philosophy, or a plan of operation which primarily serves American Indians;

"(5) has a majority of students who are American Indians; and

"(6) is either accredited by a nationally recognized accrediting agency, or is an institution—

"(A) with respect to which the Secretary has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standard of such an agency within a reasonable time, or

"(B) whose credits are accepted, on transfer, by not less than 3 institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

"(b) For the purpose of making grants for furnishing technical assistance only, any American Indian higher education organization shall be eligible for grants under this title in such amounts as the Secretary may determine.

"PREPARATION AND REVIEW OF GRANT APPLICATIONS

"SEC. 305. (a) The Secretary is authorized, upon the request of any American Indian tribe or Alaska Native community, to assist (directly or through grants made pursuant to section 304 (b) of this title) in their planning and development of feasibility studies to determine whether there is justification to start and maintain an Indian-controlled postsecondary educational institution and to prepare grant applications and related budgets which will provide services needed to insure successful operation of such institution.

"(b) Grants (except those referred to in section 304 (b)) shall be made under this title only in response to applications by Indian-controlled postsecondary educational institutions. Such applications shall be submitted at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(c) In making grants pursuant to this title, the Secretary shall consult with American Indian higher education organizations.

"GRANT FORMULA AND PAYMENTS

"SEC. 306. (a) Each fiscal year the Secretary shall grant to each Indian-controlled postsecondary educational institution having an application approved by him, the aggregate of $250,000 plus an additional amount of $2,500 for each full-time equivalent student in attendance at such institution up to one hundred full-time equivalent students except that such grants for any such institution having more than one hundred full-time equivalent students shall be in the amount of $100,000 plus an additional amount of $3,500 for each full-time equivalent student in attendance.

"(b) With respect to grants made after the first full fiscal year following enactment of this Act, the Secretary may increase the per student amounts specified in subsection (a) of this section to reflect increases in costs beyond the control of the Indian-controlled postsecondary educational institutions and in determining such increases the Secretary shall (among other things) consider increases in the cost (including but not limited to increased costs of staff) of operating comparable Bureau of Indian Affairs educational institutions.

"(c) The Secretary may make payments pursuant to grants under this title in advance installments based on anticipated or actual numbers of full-time equivalent students or such other factors as determined by the Secretary, and with such adjustments for previous overpayments or underpayments, as the Secretary may determine.

"EFFECT ON OTHER PROGRAMS

"SEC. 307. Eligibility for assistance under this title shall not supplant eligibility to receive Federal financial assistance under any program authorized under the Higher Educational Act of 1965 (86 Stat. 236), as amended, or any other applicable program for the benefit of institutions of higher education, community colleges, or postsecondary educational institutions. Assistance under any program authorized by such Higher Education Act of 1965 or any other program for which the Commissioner of Education, Department of Health, Education, and Welfare, has responsibility for administration, either by statute or by delegation shall be considered as supplemental to the assistance authorized under this title.

“REPORT ON FACILITIES

“SEC. 308. The Secretary shall, not later than ninety days after the date of enactment of this Act, prepare and submit a report to the Congress containing a survey of existing and planned physical facilities of Indian-controlled postsecondary educational institutions together with his recommendations concerning meeting the needs of such institutions for improved and additional facilities.

“APPROPRIATIONS AUTHORIZED

“SEC. 309. (a) There is authorized to be appropriated $21,000,000 in each of the first two full fiscal years following enactment of this title and $22,000,000 in the third fiscal year following enactment. The amount of such authorizations for fiscal years following the first full fiscal year after enactment of this title shall be increased by the amount of any portions of the authorization available for the prior fiscal year for which funds were not appropriated. There is authorized to be appropriated in the fourth fiscal year following enactment any unappropriated portion of the authorization available for the third such fiscal year.

“(b) Appropriations aggregating $3,200,000 are hereby authorized for the provision of technical assistance grants pursuant to section 304 (b) of this title.

“(c) Unless otherwise provided in appropriations Acts, funds appropriated pursuant to this section shall remain available until expended.

"(d) Funds appropriated pursuant to this section shall not be expended for any other purpose except as authorized in this title.

"GRANT ADJUSTMENTS

"Sec. 310. (a) If the sums appropriated for any fiscal year for grants under this title are not sufficient to pay in full the total amounts which all approved grant applicants are eligible to receive under this title for that fiscal year, the maximum amounts which all such applicants are eligible to receive under this title for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year, during which the first sentence of this subsection is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"(b) In the case of any fiscal year in which the maximum amounts for which grant recipients are eligible have been reduced under the first sentence of subsection (a) of this section, and in which additional funds have not been made available to pay in full the total of such maximum amounts under the second sentence of such subsection, each grantee shall report to the Secretary any unused portion of received funds ninety days prior to the grant expiration date. The amounts so available to any grant recipient or any amount which would be available to any other Indian-controlled postsecondary educational institution if it were to submit an approvable application therefore, which the Secretary determines will not be used for the period of its availability, shall be made available for reallocation to eligible grantees on a basis proportionate to the percentage of unfunded full-time equivalent students for each participating institution: *Provided*, That no grant recipient shall receive more than the amount provided for under section 306 of this title.

"RULES AND REGULATIONS

"SEC. 311. Within six months of enactment of this title, the Secretary shall formulate such rules and regulations as are necessary for its implementation. Copies of such rules and regulations (and amendments thereto) shall be submitted to the Congress prior to publication in the Federal Register.".

STATEMENT OF LIONEL BORDEAUX

Mr. BORDEAUX. Mr. Chairman, distinguished panel members, ladies and gentlemen, my name is Lionel Bordeaux, President of Sinte Gleska Community College on the Rosebud Reservation, Rosebud, South Dakota.

Thank you for the opportunity to come here again and testify. I remember the first time—I was thinking back last night of the many times I have come into Washington, beginning about four and a half years ago; I think I have come a long way personally, just as I see this bill is progressing, slowly, but I see an end result.

When I look down the road four and a half years ago, injecting a little humor here, I pulled into town, was looking for the BIA, standing on the street corner in a telephone booth there and I called the Bureau. They wanted a point of reference from which they could direct me. They asked me the street names. I told them I was standing on the corner of "Walk and Don't Walk." Today I managed to find my own way over here. So I have progressed. [Laughter.]

I basically want to address some points. I am not going to go into much of the factual data, knowledge. I believe we have our testimony and, in addition, the testimony we had submitted to the other half of Congress, the Senate. If possible, I would like to have that entered into the record here. I leave that to your discretion.

Basically I would like to talk about Indian colleges, their authority to exist, a little about the institutional mission, a little about funding, and exactly where it is all headed.

Sinte Gleska College, as other community colleges, exists under tribal government. We all have a tribal charter. This tribal charter spells out certain guarantees, gives us certain types of assurances.

The charters recognize established Indian colleges as having a legal right to operate as subtribal entities. As such, we are allowed by tribal councils to borrow money, to mortgage, if we have any property, just like any other corporate body. Additionally, the tribal charter provides the opportunity and environment for educational institutions such as ours to have academic freedom in which to operate. The tribal councils themelves, through the charter, recognize tribal administrative turnovers every two years.

Realizing the importance and significance of Indian colleges as an educational arm of tribal government because we are there to strengthen tribal government, that basically is really our number one mission; so as such they give us the opportunity to develop and give us a buffer so that there will always be strength in our operation through continuity and consistency in long-range planning and program implementation. We are always mindful of the fact that the final authority for review and for approval lies with tribal government, with the tribal councils. Through charters, the tribes themselves spell out all accountability and review procedures.,

As an example I want to show you here the constitution and bylaws of the Rosebud Sioux Tribe of which I am, at home, an elected Rosebud Sioux Tribal Council member.

Article 4, power of the Rosebud Sioux Tribal Counsel, section 1, enumerated powers. Subsection (u), to delegate to subordinate boards or tribal officals, to the several communities or to cooperative associations which are open to all members of the tribe, any of the foregoing powers, reserving the rate to review any action taken by virtue of such delegated power.

That, ladies and gentlemen, is the section from which we derive our tribal charter to operate, which at any time can be revoked by the tribal council; at any time it may be reviewed.

Additionally, through resolutions, through contractual agreements, we have periods of quarterly reviews and progress reports and an annual progress report to the tribal council explainIng the progress and also the needs, anticipating action of the councils for future assistance from the tribal governments.

I think it is also one of my roles, one of my many roles as a tribal council member, to provide also the opportunity and the environment for tribal and for individual business to develop, operate, and to flourish on Indian reservations, all with the end result of bringing about economic self-sufficiency on Indian reservations.

The missions of institutions such as ours, having tribal charters, are many. Basically I believe they can be summarized such that we are assured the purpose and the mission of the institution is to be the educational arm for assessing and inventorying needs and resources on our reservations.

Secondly, we are provided the opportunity to design programs, to address tribal government and the people's needs. We have all types of needs on the reservation; education, mental health, legal, law enforcement, vocational training. Time and time again before in testimony previous to this other people have mentioned the many needs, the many programs, the many activities that Indian colleges have, the flexibility with which they operate on an Indian reservation. We are talking about Indian self-determination today. There is any number of programs which colleges can develop in behalf of the provision of education to the people, which in the end result is strengthening the tribal government.

Number 3, we are enabled as such by our charter to operate, to aid in the researching of key issues affecting tribal reservation livelihood.

What are some of these key issues that Indian colleges such as ours are involved in, in which we can play a very significant educational role? These are areas of tribal government itself, Indian education, Indian health, tribal sovereignty, tribal jurisdiction, the development and protection of tribal resources.

Additionally, we are providing the educational opportunity for people to become knowledgeable and aware of programs supposedly in existence in their behalf. Once again we feel that by having such institutions, any colleges located on Indian reservations, we are there with another mission and this is to provide knowledge and awareness to the Indian people living on the reservations, even in the nonacademic sense, that is.

We have a twofold mission, one is the academic mission and one is the nonacademic mission. Principally now I address myself to the nonacademic mission. It is our feeling that in strengthening tribal government, by developing an educated people-clientele on the Indian reservations who will know the many programs which are in existence in there behalf—as such our Indian people are not aware of all the programs there for their benefit. Many times there is a communication gap that prevents, prohibits and precludes an Indian party from walking into the Bureau of Indian Affairs Office and demanding his fair share of what that office is in existence for.

We feel in developing a comprehensive educational program in our institution we can bring this type of awareness to the people. So in addition to your holding these Federal agencies accountable, what better accountability can you have than from the grass roots people themselves, knocking on the doors of the Federal agencies on reservations and holding them accountable to the people right there on the reservation.

Funding, I could probably take the whole money on funding. Basically we are asking for direct funding. We are not trying to circumvent tribes themselves through granting us charters and spelling out the accountability in the charters, as in our own charter here, reserving any action taken by virtue of such delegated power, always holding the final authority for reviews that they themselves are giving us the confidence to operate. They themselves do not want education and politics to be mixed, for any administrative turnover or any other type of political activity whatever ongoing within a tribe, to preserve the continuity of program operation.

There is no incompatibility of such direct funding. We have been doing it for six years at our college. This year is the first time we have gone under 93-638 where we have had the tribes sign off on our grant. Yet it has never been a bone of contention.

We have many programs on Indian reservations today that are direct funded. You have legal aid. The tribe has no authority whatsoever. We as a council do not sign off on legal aid monies coming into the reservation. Yet we as tribal council have the authority to move that legal aid off the reservation, or we direct its activities on the reservations.

You have housing boards; housing boards receive their own money. These are all chartered organizations of the tribal councils. On Rosebud we have the tribal ranch, another subchartered operation. We have Indian health management, another subchartered operation. We have Sinte Gleska College, a subchartered operation on the Rosebud.

So really, direct funding is not new to tribal governments, especially to the Rosebud Sioux Tribal Government.

Lastly, where does it all end? We are very proud of a motto that we used to have at Rosebud. We still hold to it, but it is getting tougher and tougher, believe me. This motto was: If ever an underfunded college will continue to operate and be successful, it will be done by the Rosebud Sinte Gleska College. It is that type of confidence in our school that has brought us this far, despite any mandate from anybody to provide us moneys. But ladies and gentlemen, it is getting tough.

There are new pressures being brought to bear on tribal governments which call for an expanded program of Indian colleges. Indian self-determination is a good motivating factor. But on Rosebud, additionally we were recently confronted with a Supreme Court decision in Rosebud versus Kneip, that virtually wiped out three-fourths of our reservation in terms of the recognition of civil and criminal jurisdiction over those Indian lands.

With this decision comes all types of emotional, mental health type problems, all types of problems in the area of law and order, law enforcement in the area of game and fishing, business management. It throws the tribe into a whole new thrust of operation for which we are not that prepared to enter.

The one program which can give tribes the type of assistance to look realistically into the future of bringing about self-determination, if this is a reality, is to assist Indian colleges to develop beyond the stage of a concept. Right now I would have to say that, despite the fact that we have garnered accreditation, we have X number of graduates, our first graduate is back in college working as a director of the Handicapped Teacher Training Program.

She went through our program. She now has a master's. She is now talking about going after her doctorate. This is but one example of the type of an opportunity that our program offers to the many who did not have this kind of opportunity before, but if we are talking about making self-determination a reality, and certainly on Rosebud, then we need money immediately. We needed it yesterday to have prepared for what we have today, but unfortunately we are still operating in the concept are. Right now the Indian people are very receptive to our program, but I don't know how long we can hold out before they start taking a look at us, because we are unable to provide money due to limited sources, before we may be viewed as a bureaucratic agency, and before that day comes, while we have the faith and the trust of the Indian people, I would like to see us be able to develop qualitative programs, to expand throughout the reservation comprehensively so that we can touch the lives of the little one all the way to the elderly, and until such time as that, the Indian people are going to be given again a false ray of hope. I don't want to ever see Sinte Gleska College to ever be looked upon as giving our Indian people false hope.

Therefore, ladies and gentlemen, we appeal once more to you to assist us to develop permanent programs so that our Indian people can retain the confidence that they have in us now so that we can go about being the educational arm in strengthening tribal government and so protecting the trust responsibility that we all hold and love so dearly.

Thank you.

Mr. BLOUIN. Thank you very much.

I have a few questions, Lionel.

First, in part of your opening comments you point to your tribal constitution that basically gives the tribal council the indirect control over these funds anyway—is that correct—over the educational dollars?

Dr. BORDEAUX. Yes, sir, right.

Mr. BLOUIN. So it is in essence involved in tribal politics to that extent.

Dr. BORDEAUX. Right.

Mr. BLOUIN. And if I understand your point correctly, you say that that is sufficient, at least on Rosebud, to give tribal council input into how the funds are spent, as opposed to funneling the moneys directly through the council; is that right?

Dr. BORDEAUX. Right. Through our periodic reports, through the band analysis, inadequate as it is for us today, the tribal council has input into our program, basically through the authority to review our program at any such time. They authorize us a board of directors to handle the day-by-day funding, the funding expenditure, the development of programs, consistent with what tribal councils and community people desire.

On the Rosebud Reservation we have 20 communities. There are many governments within those communities. They all have chairmen. They all have treasurers, secretaries, sergeants-at-arms, and likewise every month each meets periodically those needs that they have by document in a community resolution, and that resolution either comes directly to the college or it may come directly to the tribal council, at which time either our board of directors or the tribal council acts upon those community resolutions, and directs appropriate agencies to respond.

Mr. BLOUIN. How common is that kind of a constitutional clause among tribes nationwide?

Dr. BORDEAUX. In the ones that I have seen, they all have the subchartering granting authority.

Mr. **Blouin**. Would the rest of you agree? Is that the case with the Navajo?

Mr. **McCabe**. That is correct. The Navajo Community College was chartered by the tribal council. It retains control over the tribal council through the advisory committee and also through the board of regents.

Mr. **Todacheene**. The board of regents, Mr. Chairman, is also appointed by the tribal council as far as the Navajo is concerned.

Mr. **Blouin**. The Navajo though operate differently from the way 1215 would operate, correct?

Mr. **McCabe**. Right.

Mr. **Blouin**. The money goes directly through the tribal council, doesn't it, in the Navajo Community College?

Mr. **McCabe**. Well, it is a grant that goes to BIA and then to the tribal council and the tribal council then turns it over to the community college for its operation.

Mr. **Blouin**. Is it mandated that the council has to pass it through or do they have discretion?

Mr. **McCabe**. It is a Federal grant, and therefore it is a restricted grant.

Mr. **Blouin**. It has to go through.

Mr. **McCabe**. It has to go through, yes, sir.

Mr. **Blouin**. Would Navajo have any objection to the wording of 1215 in terms of direct funding, provided that it doesn't interfere with the constitutional provisions that Lionel referred to?

Mr. **McCabe**. No. We are supportive of that. The only criteria we would ask is that they don't lose any funding under it, and also that they keep the construction provision that we have in our amendments intact.

Mr. **Blouin**. Would the tribal council be reluctant to accept that change in funding?

Mr. **McCabe**. No, they wouldn't be reluctant. Our instructions from the chairman's office and also from the other, from the board of regents, as long as we don't lose anything, why we are willing to go along with them, with S. 1215.

Mr. **Blouin**. Also, to all of you, why should there be a whole new act for funding Indian community colleges when the Snyder Act, apparently has adequate provisions for funding of post-secondary education?

Mr. **Todacheene**. I think that the automobile industry or the fashion world is a good example. I think that if we are going to be funded through the Snyder Act, which was passed in November 1921, it needs to be updated and made more specific. I think that here is where our experience in Navajo Community College has been that because of the Bureau of Indian Affairs have supported free institutions at the post-secondary level, that they put us more or less at the end as far as per capita contributions are concerned. If that could be honed down and reiterated and made new, where all expenditures say made under the post-Snyder Act would put all of us under an average given cost, I think that maybe we could consider that favorable, but it has got to be where the Bureau wouldn't take what is due us, take the cream and leave us the crumbs.

Mr. **Blouin**. So your concern is not the particular vehicle. Your concern is that there be adequate language in the law to guarantee adequate funding.

Mr. **Todacheene**. Yes.

Mr. **Blouin**. —for post-secondary across the board.

Mr. **Todacheene**. We feel that we have pioneered as far as post-secondary education is concerned within the Bureau, within the various nations throughout the country, that as such when we started, the Bureau then, what they used to call post-high school, more or less operated under a vocational type of situation. A year after we started they said "We are in the post-secondary business. Therefore we are just like you, a community college, and consequently that money which you get through the Community College Act, the Navajo Community College Act we are going to divide." There they took more money out per student cost than they give us. They give us what is left. That I think under new laws should be defined so that that doesn't happen.

Mr. **Blouin**. It is also a question of control of the institution as well then. You would prefer that the BIA not be directing it but that the tribes themselves build the schools around their own needs?

Mr. **Todacheene**. I think as long as it is earmarked at this level and channeled through and pretty well marked out, we are saying through the tribal governments we would be very happy.

Mr. **Horse**. Mr. Chairman, I think that we should also keep in mind too that at the time that the Snyder Act was made into law, I don't believe it as envisioned at that time that there would in fact be Indian community colleges on the scene, and so I think that therefore the passage of that particular Act is not specific enough in regards to what we are asking for, and that it would be subject to the whims or interpretations of the administrators that are charged with carrying it out.

Mr. **Blouin**. It would take a complete rewrite of it.

Mr. **Horse**. In my view, yes, sir.

Mr. **Blouin**. In order to get it out of the rut that it is in.

Mr. **Horse**. Yes, sir.

Mr. **Blouin**. Lionel, would you agree with that?

Dr. **Bordeaux**. Yes. The Snyder Act and how it came about was when we first approached the Bureau for funding, I believe that first year in 1971 they gave us $42,000, at that time they couldn't cite any type of authority that could justify an allocation to us, so in researching we came up with the Snyder Act and approached their solicitors. They used it and said that because of the vagueness of it, the broadness of it, it could be that, that and the Johnson-O'Malley Act could be utilized by any colleges for the authority and also for expenditure.

This is what we went with. Then in talking about getting an increase of moneys, we were told to get on the band analysis, so as far back as either 1972 or 1973 we did. We put ourselves in a band analysis, and we at that time always documented right around $500,000 as our needs.

They would always come back to us, the BIA would, and say that "You cannot ask for an increase. We cannot give you an increase because there is no justification for it. You do not have proper authority to operate, so kind of cool it. Be thankful for what you are getting. Don't expose yourself, because right now you are pretty well hidden in there. OMB is not that aware of you. As long as you are not exposed, don't go for a line item. Don't be worried about it."

All the while we were hidden in the Indian scholarship program at home, but we were steadily knocking on the door trying to come out of there. Finally in 1975, they told us that when 1975 terminated, our program would go, and it did. At the end of fiscal year 1975, the Bureau withdrew our money from Pine Ridge and from Rosebud for the two colleges. That left us without money. It was only through the efforts of Sandy McNab who was over at the Interior Department at that time, that we were able to be put back in, but again at the $200,000 level, which we have stayed with until last year, and then when we testified on 2634 here I believe 2 years ago; it was to my surprise when the Bureau came out in opposition to the proposed intercollege legislature and instead came back and said as you know that the Snyder Act was alive and well.

Since then we have approached the Bureau, through the Snyder Act. The Bureau, having testified that the Snyder Act is sufficient, has failed to relay that message back to the field, so the people at the area offices are not aware of the fact that we can contract through the Snyder Act, and so today they push us through 93-638. My contention is if they are going to utilize the Snyder Act and say that it is valid legislation that we can utilize today, then in the interim period, while we are seeking legislation, let the Bureau live up to its testimony, and allow us to program more monies for the future, and not be held to what we are today. In fact Sinte Gleska next year is taking a $7,000 cut. We were finally able to get up to $300,000 this year, and again we are on the band analysis for $1.5 million, and when recent word came down as to what we will be receiving, it shows us next year we will be receiving $293,500, so they are cutting us back $6,500. We don't see what value there is in being under the Snyder Act or what is the value of being under band analysis.

We have also testified to be taken off of the band until such time as we are at a point where a 10-percent increment or whatever would do us good, where we can carry out a legitimate program, but right now, under the band analysis, and we just went through this last week in the tribal council meeting, the Bureau gives you a figure to work with. At home we were given I believe $3.5 million for the total program. There is a spot designated in there. You can manipulate the priorities where you want those line items to be allocated but it cannot exceed $3.5 million.

My question to them was: How do you get an increase in funds? They said "For one thing you get on the band. We will take it to Aberdeen. We will take it to Washington. Hopefully in a couple or 3 years we can get you the money, if everything goes well."

I said "Is this the procedure?" And he said "Yes." I said then "Why don't we have the adequate moneys we have today when we were on the band analysis 4 or 5 years ago? Where have you been all this time?" There was no response.

Therefore we feel that the Snyder Act basically, if OMB will hold to it and say that it does not address itself to Indian colleges, then we question why the Bureau would utilize it as an excuse for not wanting direct type of legislation.

Mr. McCabe. I think the Navajo problems are slightly different. We have the Navajo Community College Act. However, in the band analysis, that is an item that comes under higher education, which is a broad area. As a result of being on the band, when the Navajo Community College was granted its funds last year, it turned out that the BIA took funds from the scholarship committee so that this year there are 1,400 students qualified who want to go on to postsecondary institutions but were not able to go.

Mr. Blouin. They took funds from the direct student assistance?

Mr. McCabe. It seems in the band analysis there is a line item and it is all lumped under higher education, which includes scholarships, the Navajo Community College funding, and so forth. They took moneys from that to make up the NCC budget, and as a consequence, I think it was $2.3 million they took from the higher education fund to fund NCC, so that 1,400 students were left high and dry.

The Navajo has taken the view that if there is going to be a band analysis, a separate type of system should be utilized for the Navajo, being that it is so large in that it constitutes over one fifth of the Indian population of the United States. We have never been funded on an equitable basis with other tribes. We always receive less per capita than other tribes. I think that the Navajo Community College is operating at the present time; the efficiency of the Navajo Community College is better than that of the Bureau of Indian Affairs.

Also I guess you can say that the Navajo Community College receives no other funds, is not funded from State sources. That is another item.

Mr. Blouin. I just have one more question and I will yield to Mr. Quie at that point. Maybe the logical place to start is with Perry Horse.

What kind of need is there nationwide in terms of the potential number of community colleges that could develop as a result of a fully funded Community College Indian Education Act? If possible, can you put some kind of a tie on the amount of capital investment, construction that would be there, and just what would be needed?

Mr. Horse. That is a tough one. [Laughter.]

Mr. Blouin. I didn't say it was a brief question. I just said it was one more.

Mr. Horse. In 1975 we contracted with the Bureau of Indian Affairs to do a survey, to collect the data and information that they needed to base their report in connection with that 93-638 directive that we referred to earlier and we conducted the study under very constrained kinds of circumstances. No. 1, I don't think they gave us enough money and, No. 2, I don't think we really had as much time as we need to go out and assess really very thoroughly the extent to which tribes were thinking in terms of developing local higher education centers or community colleges.

As a result we had to limit our survey in a way, but we did manage to cover quite a few areas, and we did survey 30 sites that we identified as projected or having a potential at that time, this was in 1975, of tribes that had either expressed an interest in this idea or had in fact developed or made plans, laid the groundwork to develop these kinds of institutions.

Mr. **Blouin**. Does that 30 figure include Alaska as well?

Mr. **Horse**. Yes. In Alaska I think we put them on our operational list, because at that time land claims college, Tanana Chiefs College was in operation as was Inupiat University of the Arctic, and there are a number of community colleges in the State of Alaska that serve, such as Kuskokwim, Nome, and various other places. We covered some of those, but under the guidelines laid out by the BIA, we tried to limit our coverge to those that were specifically controlled by the Indian or native groups concerned.

Mr. **Blouin**. And that 30 is in addition to what is out there already?

Mr. **Horse**. I would say at this point that it is quite a bit more than that now. We are in the process now of trying to update the data that we obtained at that time, and I believe a member of the next panel will be coming up with some more identification of potential other sites. The problem that we have in trying to deal with those kinds of statistics, No. 1, we are constrained by staff to work mainly with the member colleges of the consortium, and so it is very difficult for us to get and do research on thse kinds of matters outside of our in-house operation.

Mr. **Blouin**. There are 16 there today, correct, 16 members of the consortium?

Mr. **Horse**. No, sir, there are 12 members of the consortium, but we are aware that there are other colleges that are operational that are not members of the consortium.

Mr. **Blouin**. How many nonmembers are there? I am just trying to get a handle on numbers.

Mr. **Horse**. To the best of my knowledge I would say about six.

Mr. **Blouin**. About six more.

Mr. **Horse**. Yes.

Mr. **Blouin**. And based on a couple of your old studies there was at least a need for 30 more.

Mr. **Horse**. At that time, yes.

Mr. **Blouin**. At that time.

Mr. **Horse**. At least.

Mr. **Blouin**. So we are talking 48 community colleges, base colleges, 18 of which are there, plus, 48 plus. We might assume it is more than that.

Mr. **Horse**. Yes.

Mr. **Blouin**. Is it fair to assume that in most of those situations there is no campus or facility to use as even a starting point?

Mr. **Horse**. Yes. I think that is a very important point to keep in mind when you talk about what constitutes an Indian community college. I think that, No. 1, the average person, when you throw out that term "college" would immediately think of a central campus kind of an operation, a standard facilities kind of thing.

Well, in some cases, in our own consortium that is the case, for instance, with Navajo Community College, and where they have a nice central campus layout, but, by and large, most of these colleges operate out of temporary or make-shift kinds of facilities, and it is not really your standard campus layout that you are talking about when you refer to an Indian community college in terms of facilities.

Dr. **Bordeaux**. There is no central facility. I would say Sinte Gleska is typical of most of the colleges that we are talking about.

Mr. **Blouin**. In terms as well of the kind that would be developed?

Mr. **Horse**. I think as far as how they develop and what they address and so forth would naturally have to be left up to the tribes concerned, but I would think just as a general kind of observation that that is probably true.

Mr. **Blouin**. I would think it would be essential that at some point we try to get a handle on what kind of construction we are talking about.

Mr. **Horse**. Yes.

Mr. **Blouin**. It doesn't do you a heck of a lot of good to give you a funding mechanism, if there is no place to spend it

Mr. **Horse**. Yes. In Senate bill 1215, for instance, there is a provision in there for such a facility needs assessment, and also at the time we did our survey we attempted to just describe in general what was there, and sort of what was needed, but we finally decided that it not feasible for us to do the kind of study that was needed to be done to really get a handle on what the cost outlay might be, for instance, and so we recommended that that be the subject of a separate input.

Mr. **Blouin**. Costs aside for a moment, in terms of construction, does S. 1215 in your opinion have enough funding in here under the authorization ceiling of $21 million each of the first two full fiscal years, $22 million in the third fiscal year? Is that enough to adequately operate 48 community colleges?

Mr. **Horse**. I don't think that this addresses the 48 that you are referring to entirely. You will see in there that we also have a clause that calls for moneys to be set aside for those tribes that have not fully developed their colleges to do more study on their situation and their needs in terms of capital. I think this other figure that you are looking at is taking into account only those that we have identified as being more or less fully operational at this time, so in terms of full, if you are talking about trying to cover all the tribes that are thinking about establishing colleges now, as far as getting them going operationally, I don't think that this would be enough.

Mr. **Blouin**. What eventually are we talking about dollar-wise? What kind of an authorization level are we talking about?

Dr. **Bordeaux**. I would say we are talking probably about something in excess of $50 million. If you are talking roughly about some future stage of development for 50 Indian colleges, and all starting out to develop the foundation and developing slowly, you are talking about roughly anywhere from $500,000 to probably $2 million. We are probably one of the bigger ones and yet we feel we can probably get by on $1.5 million right now. We are addressing the facilities, and you saw that our facilities are really pathetic. That building we were in there was constructed prior to 1900.

Mr. **Blouin**. That was your administrative central office.

Dr. **Bordeaux**. Right. This was the old original Spotted Tail agency given to Chief Spotted Tail when he was still alive there. What we have done in the tribal council, and the priority that the tribal college has given to support the college, the local Public Works Act, the tribe submitted their proposal in behalf of facilities for Sinte Gleska. Unfortunately we had the second highest rating in the State next to Pine Ridge, but when it came to funding they jumped over us. They funded Pine Ridge, which got the bulk of the money, and then had we been funded it would not have left anything for anybody else, so they jumped over us and funded the next 6 or 7, but Senator Abourezk assures us that this time we will be getting our buildings. With that will come an administratitve academic unit plus 11 community education centers which will be scattered throughout the community. In these community centers will be meeting rooms, kitchens, classrooms and office space for Sinte Gleska College and also an office space that will develop people in the community to man their own office so that they can start subcontracting many of the tribal programs that they should be contracting, and rather than having them operate it centrally from some existing office around the agency, and also we will have additional office space that we want to start leasing out to the Federal, State and tribal programs, so that we can develop a calendar so that the people will know that some time during that month the people from these programs will be coming to the communities, be it maybe for 3 or 4 hours every other week, instead of the people having to pay $10, $15 or $20 sometimes to hire a ride to take them to the agency and sit there and cool their heels all day and never be seen. This is how we are adjusting that particular facility, but even that is really inadequate.

Mr. **McCabe**. As far as the Navajo is concerned at the campus we would like to get into construction of Phase 2 including additional dormitories, faculty houses, support facilities and site preparation utilities which runs up to about $11 million. At the branch campuses we have two planned which include constructional facilities, support facilities, dormitory and housing, site preparation utilities for $28 million, and 5-day class centers which include instructional facilities, support facilities, faculty housing and site preparation for $14 million.

As I mentioned in the testimony, it would cost about $52 million over a 5-year period. Our construction needs for the next 5 years are going to be roughly $10 million in addition to our operation and maintenance. Our budget will run anywhere from between $60 to $8 million, so you are talking for the Navajo in the next 5 years, about $18 million.

Mr. **Quie**. Mr. Chairman, will you yield to me?

Mr. **Blouin**. I will be happy to.

Mr. **Quie**. I think we ought to pass legislation for direct funding for community colleges, and I would like to see one covering the whole nation rather than one, especially for the Navajo colleges. We can go better with that route. I do have a problem, however, when you say, Mr. Horse, in North Dakota there are four community colleges and there are 451 students attending all four of them. It seems to me they shouldn't have more than one of that size. The Navajo, as I understand it, doesn't plan on having more than one, but have different campuses in order to take care of that problem.

I think there is nothing wrong with people wanting to have a small group that stays isolated if they do it thesemlves, but when we look at the public funds, we need also to look at the economic feasibility of it as well. While in some of the States it is different, in New Mexico there are a substantial number of different tribes or nations there, and it may be hard for them to get along with each other. I think you are going to operate these programs better if you have more size to it than that.

I just want to tell you, I would be awfully hard to sell, from what I have seen so far, on 48 community colleges around the nation. I would like to see what you are doing now, being done better. I can't see why in North Dakoka you need four of them. I would like to throw that out as a starter. I don't imagine the two people from Navajo need to respond to that because you are already doing what I think you ought to be doing. I think I would ask Perry Horse.

Mr. McCabe. On the part of our colleagues here if you take a look at the map I think you will see how dispersed these reservations are. North and South Dakota is such a large area also, the dispersion of these reservations is such—

Mr. Quie. But you can take care of dispersion like other institutions do and have class operations down there that the students can get to. What I am talking about is that you are running a whole administrative operation separately for all these little places. That doesn't seem like good economic sense.

Dr. Bordeaux. Mr. Quie, right there on Rosebud, just taking one Indian reservation, for example, we have students having to commute 145 miles from the east end of the reservation to classes that are offered right around our own central area there at Rosebud. In each reservation, and I know North Dakota has the same, the reservations are not located geographically that close together. Up in North Dakota there are several hundred miles of geographic distances between reservations.

As far as training needs go for each reservation, there is some similarity, but there are also a lot of differences. Some tribes rely more upon one particular area of economic development as opposed to another one, so you have needs that vary. Languages vary from reservation to reservation, and whether you call them community colleges, education learning centers or whatever, if we are talking about self-determining for that particular tribe, then I think it behooves that particular tribe to develop an educational entity of some type to address its own special and unique needs confined to that particular reservation.

Mr. Quie. Those white folks, Swedes, Norwegians, Germans, Italians, Yugoslavs and what-have-you, have the same problem all over the North Dakota, don't they? They are a long way from each other.

Dr. Bordeaux. The non-Indian on Rosebud is in debt. We are training and providing education to about one fourth of a non—Indian constituency. There is no local tax base. We charge the standard $1.50 per credit hour to everybody, and there are no State monies coming in, in behalf of that non-Indian party attending.

Really in a way there are some Indian education monies going to the education of that non-Indian.

Mr. **Quie**. How many students?

Dr. **Bordeaux**. Four hundred this semester.

Mr. **Quie**. We have not much more than that in four colleges.

Mr. **Blouin**. We are going to have to recess the subcommittee for just 10 minutes while we run over and vote. Do you have more questions for this panel.

Mr. **Quie**. I just wanted to throw the bomb out.

Mr. **Blouin**. We will come back.

Mr. **Quie**. I will listen to Perry just a minute because I have something that is coming up that I have to go to.

Mr. **Horse**. I should have expounded a little more on that 451 figure in my testimony but for purposes of brevity throw it out as an example of what we are talking about. That 451 figure is based on BIA grants for full-time students, and more than that are really served by these community colleges that we are talking about. If you take a head count, then your figures will rise dramatically, but we are keenly aware that people who deal with education legislation and so forth like to think in terms of full-time equivalencies, so that is why those figures will vary quite a bit. If you want a head count on actual numbers of people that are being served, those numbers are going to rise dramatically, and also I think it is important to note that more people could be reflected in the service category as being served if these colleges had more money on which to offer the kinds of localized accessible courses that these people want. What I am saying is that there would be more than this figure of 451 that we have mentioned if we had the resources and so forth.

Mr. **Quie**. One of the things that appeals to me is that you really didn't have a full blown campus there. It is more like the Metropolitan University in Minnesota, where courses are conducted out where the students are. As far as the buildings being pre-1900, reminds me of England where I sat in dorms that were built in the 12th century. People kind of want to go for that. I visited a good hospital in Moscow where Napoleon stabled his horses while he was there in Moscow, so age I don't think is a factor, but rather what the facilities are like, and whether they are kept up. I think one of the reasons why facilities aren't very good is that they weren't kept up.

I have to leave now.

The other question I would like to ask and that bothers me is that $2,500 per student, if you have got 100 or less, and $3,500 per student if it is more than that. It seems to me you would have a higher cost if you have smaller numbers of students. I wish you would address that whole question of how much it ought to be per student so we could help get a handle on that one when we pass the legislation.

Dr. **Bordeaux**. One comment. Probably the hospital in Moscow was made of marble where as at Sinte Gleska the insects have eaten it.

Mr. **Horse**. Mr. Chairman, I want to clarify one point.

Mr. **Blouin**. Go ahead.

Mr. **Horse**. Relative to the cost that was discussed in S. 1215 under the grant formula payments, that $2,500 figure that Mr. Quie made reference to as to how we came up with that, I just want to insert for the record that this was based on the cost 2 years ago of some of our schools, and also in comparison with the costs for the operation of per student of the Bureau of Indian Affairs postsecondary institutions, namely, Haskell Junior College, the Institute for American Indian Arts and the Southwest Indian Polytechnique Institute.

We based part of this $2,500 cost in comparing it just with the Haskell Junior College which is operated by the Bureau, and quoting from their fiscal year end report on the per pupil cost, in 1975 for Haskell they say that per student it cost them $5,143, and so we scale that down to our particular needs.

Also this doesn't necessarily reflect the inflation factor that needs to be built in. I just wanted to throw that out as the rationale or basis for how we came up with that $2,500 figure that is stated in the proposed legislation.

Mr. **McCabe**. I also think it is germane to add at this point the BIA institutions do not include plant management for food services, which is a significant part of the budget, and this doesn't reflect that.

Mr. **Blouin**. I want to thank all of you for coming. The subcommittee staff would like to submit some questions to you for the record at a latter date. The record will be kept open if there is no objection for responses to that.

Mr. **Horse**. We will be glad to respond.

Mr. **Blouin**. Before calling the next panel I would like to express our disappointment that the BIA couldn't send anyone from the Haskell Institute in Lawrence, Kansas. We had specifically requested that Mr. Philip Martin, member of the board of regents, be here. Apparently for some internal political reasons he couldn't make it, and they chose not to send anybody. Frankly, I am not very pleased with it.

Our next panel is made up of Ms. Patricia Locke, President of the National Indian Education Association; Ms. Georgianna Tiger, Education Director, National Congress of American Indians; and Mr. Lawrence Snake, Director, Education Committee for National Tribal Chairman's Association.

If the three of you will come up to the table. We have your testimony, and if there are no objections, we will have the complete text of the testimony submitted for the record, and would ask you to summarize your comments as briefly as possible, but without missing any of the points that you feel ought to be made.

Ms. Locke, I would appreciate it if you would start first and we will go to Georgianna Tiger and Lawrence Snake.

STATEMENT OF PATRICIA LOCKE, PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION; GEORGIANNA TIGER, NATIONAL CONGRESS OF AMERICAN INDIANS; AND LAWRENCE SNAKE, DIRECTOR, EDUCATION COMMITTEE FOR NATIONAL TRIBAL CHAIRMAN'S ASSOCIATION

STATEMENT OF PATRICIA LOCKE

Ms. LOCKE. Thank you, Mr. Chairman.

Members of the committee:

I would like to have one of the board members of the National Indian Education Association sit with me.

Mr. BLOUIN. There are no objections at all to that.

Ms. LOCKE. Mr. Lujan.

I am currently the President of the National Indian Education Association, which is the only Indian organization devoted solely to education across the board from early childhood through adult post-secondary education.

I am also a Director of the Planning Resources on Minority Education at the Western Interstate Commission for Higher Education. My sole function at WICHE is to help tribes charter Indian post-secondary programs in colleges for their tribal members.

I want to briefly state why it is so important to support Indian post-secondary education, and I will give some background comments on the current status of our need as well as to touch on Indians in college in non-Indian universities and colleges, and then to suggest some certain kinds of solutions to the problems that face us.

Still we have only 1.2 percent of our rural Indian females that have achieved 4 or more years of college, that is out of our total population of approximately 1 million Indians, and 250-some tribes, different and separate tribes in the United States. Only 1.5 percent of our rural adult male population have achieved 4 or more years of college.

I cannot be exact about the statistics of the number of professionals that we have to serve our Indian people, but we have approximately 50 Indian physicians. Now that is out of a population of approximately 1 million. We have some 7 Indian dentists, approximately 150 attorneys, but many of them are not actually serving on the reservations at this time. They are working in other broader fields. We have 11 psychiatrists, American Indian psychiatrists, so you can see that at the professional level, we are still about 350 percent underrepresented in colleges proportional to our population.

In 1972 we were 650 percent underrepresented proportional to our population in college according to a Ford Foundation study. If you will look—I guess you don't need to look, I can tell you about it, but we have currently, on page 13 of that green-covered testimony 11 tribes that have currently chartered Indian colleges. These are as you can see in the States of Montana, North Dakota, South Dakota, Arizona, Michigan, Washington, Alaska primarily, but there are six other tribes, on page 14, that are in the early stages of developing Indian tribally-chartered colleges, the Fort Belknap Tribes of Montana, the Mississippi band of Choctaw, the Crow of Montana, Colorado Indian Tribes of Arizona, the Makah of Washington, and the White Mountain Apache of Arizona. Because at NIEA we are concerned with Indian education all across the country, we must speak to you about equity, how it is so important for all of our tribes, tribal people, no matter their size, to have the access and opportunity for higher education, for post-secondary education. Even if a tribe is composed of only 50 members, as in some of the very small tribes in California, we believe that we have the responsibility to be an advocate for their educational needs as well, so that is the first important point I think, that there are so many, 25-plus tribes that need our attention, and we must try to respond to their post-secondary educational needs, because we are so far behind in post-secondary education.

As you know, the Federal policy relating to education in the past has been for assimilation, for proselytization, for getting us into the mainstream, and only recently, in fact a couple of years ago, has it been determined that education is a right that we can determine as we see the objectives of education that we need, so that self-determination concept is a very recent one.

So many tribes are going in various kinds of areas to answer their own particular cultural and economic needs as they see them. So it is a very specified kind of an education. For instance, the Lummi School of Aquaculture in Washington State, they serve Indians from 25 tribes across the U.S. in various fields, Aquaculture and natural resources. They ran out of money this last May first. So ten faculty are working without pay. The tribe has gone into debt some $160,000 and they are operating out of their imaginations in a real sense, out of contributions. So the needs are dire in various parts of the country. The Lummi School of Aquaculture, a four-year institution, has graduated 150 specialists in the field of aquaculture and they are operating economic enterprises relating to natural resources on reservations all across the U.S. in about seven states. So there are these kinds of unique needs that the Indian colleges are answering.

When we talk about the need for equity, of course, the problem of how we are going to ever have enough money to serve all of these tribes comes to the fore. I guess we would take what it costs for one B-1 bomber or one aircraft carrier; it might take that much to operate all of our Indian colleges, because we are going to ask for a minimal level of $15 million to increase each year as the colleges expand to 85 million.

Mr. Blouin. That is about half of a B-1 bomber; maybe a wing.

Ms. Locke. I really don't know how much it costs.

I think if you will note, please, on page ten of the testimony we have talked about the policy that has led us toward assimilation, acculturation, vocational education without our full input. The Bureau of Indian Affairs has only recently begun to give the attention toward higher education as opposed to adult and vocational aspects of education. You will see here that the Bureau of Indian Affairs has funded thus far three colleges and to some extent the Lummi School of Aquaculture.

At the bottom of the page are all the colleges not funded by the BIA currently. I know that we cannot place all of the blame on the

Education Division within the Bureau of Indian Affairs because, for instance, that office requested $19 million for special education and it went through the Secretary's office; the recommendation was only 1.2 or .5 million dollars. So even though the Bureau of Indian Affairs is beginning to understand the burgeoning of our Indian colleges, the requests never really get through to the Office of Management and Budget and to the Congress.

I think all of these schools down at the bottom of the page, as well as those that are developing, and I believe there are four to six tribes per year becoming interested and involved in post-secondary education, so they can actualize, implement the Indian Self-Determination and Educational Assistance Act. We want to run our own programs. We need the skills to know how to do it; this is one of the primary reasons we need post-secondary education. It is such an important issue too that education must be brought to the people. We have had a policy, beginning of the 1950s, of relocation, getting our Indian people out of the reservations and into the cities. That has been found to be a disaster so our people are not being forced out away from the cities, but are living with their families, involved in tribal enterprises and they are persons that are from 17 years of age into their seventies. So these people need to stay at home with education brought to them, instead of masses of people moving into the cities and into the institutions that are available. That is another reason we need to support the development of tribally-chartered colleges.

I want to touch briefly on Indian studies programs and scholarships and how they relate. Most of the Indian colleges are two-year community colleges, although Flaming Rainbow, which is not tribally chartered, for the Cherokee of Oklahoma, D.Q., which is not chartered, these institutions are four-year institutions or have the desire to become so. Inupiat of the Arctic desires to give upper credit, as Ojibwa in Wisconsin, the Camaway Chippewa College. It happens that many of the institutions, the Indian colleges will need to transfer their students into Indian studies programs in our colleges and universities. There are approximately 145 Indian studies programs in the United States.

Our program at WICHE, planning resources and minority education, publishes an annual guide and survey of Indian studies programs in colleges and universities. I would like to later—it will be published in two weeks and I would like to have the members of the study group see that survey. It will help you understand the broader picture of post-secondary education.

We have some, estimates vary, between 15,000 and 25,000 students in Indian colleges, so we are talking about a younger age group. This younger age group needs to be supported fully as well as our older, more mature populations that seem to be using and utilizing education programs, post-secondary programs on the reservations. I wanted to tell you though that we are very concerned that many of these Indian studies programs, many of the colleges that purport to serve tribal members are not always as committed as we would like them to be. That is one of the concerns that an institution provide scholarship support, that they show evidence of tribal support and endorsement and input and evaluation of their program, so they are not out doing these educational services without the tribal input. That is very important to us.

We think it important that they ought to provide in-kind contributions and services to a greater degree instead of siphoning off some of the Indian education money to support overhead costs. Sometimes they are incredibly high, 40 and 60 and 70 percent overhead costs of some of the non-Indian institutions.

We think it important to plan for sufficient appropriations so that at least one-half of high school graduates, Indian high school graduates have the opportunity to attend college and we think it is important to plan for a sufficient appropriation so that 75 percent of the enrolled freshmen complete college. We think it is important to plan for sufficient appropriations so that at least fifty percent of undergradutes may enter graduate school. We would hope that you would plan for sufficient appropriations so that 75 percent of the enrolled graduate students may complete graduate school. Those are minimal levels that we feel we need at the post-secondary higher education levels. This must be done at the same time we are supporting the tribally chartered colleges, because we are serving slightly different age groups.

One of the other points that I wanted to make was related to funding and in this instance I am going to speak as a Standing Rock Sioux tribal member. I think I have to speak in that capacity because at NIA we have not yet considered this issue. But I want to speak for the concept of tribally-chartered colleges, and the idea that a tribe is an entity that has its own direction to point out in all of the areas, such as housing, such as employment, health. Increasingly one of the things we are doing at WICHE is have tribes develop tribal divisions of education so they can coalesce and coordinate all of the educational programs from Head Start, Day Care, Elementary and Secondary, Johnson-O'Malley, Title IV. All these programs need to be consolidated so the tribes can better manage the programs, and they should have fiscal responsibility over all the education programs, the direction of these programs. There are about nine tribes now which have developed tribal divisions of education, as well as tribal housing authorities, tribal law and order authorities and so on.

So this is a movement that is happening since we have been—since Public Law 93-638 was passed. Incidentally, in Public Law 93-638, in regard to grants to Indian tribal organizations, Section 104(a), "The Secretary of the Interior is authorized, upon the request of any tribe, to make grants to any tribal organization for . . ." et cetera, et cetera.

So it is a matter of educational institutions, housing authorities, whoever may be receiving direct funding, to make sure that the tribe understands all of the issues involved and the tribe will determine how that funding is going. We are not like other minority people; we are semi-sovereign tribes. Because of this, the tribe will determine how that education should be directed.

In the American Indian Policy Review Commission Task Force, there was a statement on page 190 that the Navajo tribe wishes to consolidate all of the education programs and determine them. No entity with less than the authority of the tribal council shall have the say, the fiscal responsiblity, et cetera. I think that is important. It is an issue that needs to be discussed.

Regarding the other aspects of funding, I cannot say at this time without having talked to so many of the 252 tribes in the country, whether it should be through increased line item funding for post-secondary affairs as a BIA line item,. I can't say it should be direct funding until we have asked the tribes about that, or if we should have a separate bill. Those things have not yet been determined. I think it might be interesting to have a hearing to find out a cross-section of the tribes, a sample of them, how they feel about the best funding method.

I would like to touch briefly on another need that we have in the field of post-secondary education. That is the problem of transition from high school into community colleges or junior colleges, the problems that our students have of transition from undergraduate work into the upper division, the first two years of college into upper division programs, entering into some of our large universities and the problems in transition of graduates from undergradutae work into graduate work.

There is a lot of slippage there. We lose a lot of students between the first and second year of college. Estimates have been from fifty percent to 76 percent attritional rate between the freshman and sophomore years. So we have a great need to bolster this transition from these different levels of education, from one to another.

One of the recommendations that the National Congress of American Indians Education Committee, the National Tribal Chairmen's Association, Education Committee, and the National Indian Education Association, has been that there be established five Indian preparatory academies across the U.S. These preparatory academies would give concentrated, perhaps six weeks, support to students who were entering college, entering the upper division, entering grade schools. This is something we have begun to think about and we are hoping that we may have a feasibility study to better plan the kinds of curricula, the kinds of management, the kinds of funding needed for this particular kind of program. It is something I wanted to bring to your attention because we want to reduce the attrition rate.

I think I will give my friends here a chance and wait for your questions.

Thank you very much.

Mr. Blouin. Thank you.

Mrs. Georgianna Tiger.

[The prepared statement of Mrs. Tiger follows:]

Statement of the National Congress of American Indians before the Subcommittee on Elementary, Secondary and Vocational Education of the Committee on Education and Labor of the House of Representatives, May 19, 1977.

Introduction

Mr. Chairman and distinguished members of the Committee: my name is Georgianna Tiger and I am Education Director of the National Congress of American Indians. For the Officers and 130 member tribes of NCAI, I express our appreciation for this opportunity to testify on federal support of higher education for Indians. First, I would like to give a brief overview of the National Congress of American Indians.

NCAI was founded in 1944 to serve as a national voice for member tribes joining together in a common goal. That goal is to preserve tribal rights under treaties, promote the common welfare of Indians and foster continued loyalty to the United States. For over 33 years, NCAI has actively pursued its charge, and today is the oldest and largest national Indian organization in this country representing tribal interests in all areas.

One major area of NCAI's concern is Indian Education. I would like to stress here that education is a right and not a privilege from the Federal Government.

The Trust Responsibility of the United States

In the broadest sense, the right of American Indians to education and the duty of the United States to provide that education rests in the trust responsibility of this country to its Indian citizens. This Federal trust responsibility has its origin in the unique relationship between the United States and Indians because of which this Nation has taken upon itself the obligation to insure the survival of Indian tribes. Many Courts have discussed this trust duty in terms of the duty of protection arising from the relationship of a stronger nation to its relatively much weaker and helpless "domestic dependent nation." It is founded in international law and spelled out in treaties. It is reiterated in Federal statutes and judicial decisions.

The Snyder Act of 1921 (25 USC 13) obligates the federal government to the education of Indians unequivocally. This obligation has been systematically reaffirmed through subsequent legislation: Johnson O'Malley 1934 and 1936; the Indian Education Act of 1972 (92-318) and 1974 Amendments; the Indian Self-Determination and Education Assistance Act of 1975 (PL 93-638).

Control

Non-Indian control of Indian education has been intensely and quantifiably studied-- even recently-- to justify that problems indeed exist. Workable solutions in the form of Indian-controlled educational alternatives have been proposed and successfully carried out. There can be no need for further study on this concept. There can be no doubt that Indian-control of the education of Indians is far more successful than any other alternative. It is important to reaffirm that control of education must be through the tribe.

Even with the existing funding under existing federal obligations, and the inclination toward tribal control, Indian education is today inadequate. It is difficult to isolate problems of Indian Higher Education from problems of Indian education in general (cause and effect). However, for the purpose of this hearing we can look at only the higher education statistics.

--Bureau of Indian Affairs higher education reports show approximately 5,000 undergraduate and 250 advanced degree applicants for whom there are not sufficient funds to assist.

--DHEW Office of Indian Education reports that under 422 and 810 (d) P.L. 92-318, of 133 applicants for Indian education personnel grants totaling $18,866,805, only 23 grants, totaling $3.0 million, could be awarded.

--Under the same Office's Fellowship Program, 560 Indian students applied for higher education fellowships. OIE Appropriation allowed 104 to be awarded.

--Under OE Titles that fund Indian higher education in competition with higher education for all, such as Title III, strengthening developing institutions; and Fund for the Improvement of Postsecondary Institutions, the amounts identifiable as reaching Indians are small--approximately 3% and 1% respectively, but the major portions of even these small amounts go directly to administrative costs of the non-Indian sponsoring institutions.

--Further, it is probable that some Indians are indirectly recipients of portions of general appropriations. However, since it is not possible to even identify them, it is certain that their special educational needs as Indians are not being met.

--Of the Indian students attending non-Indian-controlled post-secondary institutions, the dropout rate is upwards of 50%.

--Of the Indian students attending Indian-controlled colleges, the dropout rate is between 5%-10%.

--Indian-controlled post-secondary institutions are able to serve their whole communities. Their locations on and near reservations create a reason to bring and keep professional Indians on reservations: they serve as community centers, house GED and adult programs, and other special workshops for the tribes.

Conclusions

Existing Indian-controlled colleges have demonstrated a commendable success rate in educating Indian students. Further, they directly serve their communities.

Although authority exists to enable ongoing funding to these institutions, they do not have a stable, assured funding base. Of necessity, they are forced to disperse much energies and resources addressing this problem in addition to their primary objective of educating their students.

Because they are young and have an unstable funding base, they are unable to compete and receive an equitable share of funding available to all institutions. The Band analysis system of enabling monies to reach tribes for education has been found to be inadequate. Because of inadequate overall appropriations for all needed tribal programs, it is impossible for higher education programs to receive amounts crucially needed.

Recommendations

Specific legislation must be passed with adequate appropriations to meet the needs of existing Indian-controlled community colleges, and for those in the process of developing.

S. 1215 introduced last month by Senator Abourezk, with the appropriate modifications enables this crucial higher-education need to be met. We recommend that the House of Representatives take immediate action to enact into law with the following language changes. S 304 (1) a careful review of the language tribally-endorsed versus tribally chartered must be done in order to ensure that the legislation is consistant with tribal control of all education programs while ultimately ensuring ongoing delivery of quality education to the Indian students affected within their jurisdiction.

STATEMENT OF GEORGIANNA TIGER

Ms. TIGER. Thank you on behalf of NCAI. I thank you for the opportunity to make our statement on higher education.

In January of this year, the Executive Council of the National Congress of American Indians met here in Washington and unanimously passed a resolution stressing the need for community colleges. This was passed, I want to point out, by the 130 member tribes of the National Congress of American Indians.

As a great priority need in Indian education it was one of the major needs of some 70 problems identified in education.

We want to follow up that resolution with our statement in support of the need for a bill such as S. 1215. When we took a look at the long struggle these people have been having in terms of getting their bill passed, it seemed that the trust responsibility of the United States certainly wasn't contested and that the authority certainly does exist under the Snyder Act, if not much more than that, for educational services to be provided to tribes.

However, we have started to look at, if indeed this authority does exist, then why are these statistics so bad? Here are some things we would like to point out that are happening today.

If higher education is indeed a right of Indians and the Federal Government does indeed have the authority to be providing it, we have this year $5,000 undergraduate and 250 advanced degree students who the BIA cannot assist in going to school. These students then are probably not going to go to school. HEW's Office of Indian Education reports that 133 applicants for Indian educational personnel grants applied and only 23 were able to be made. Under this same office's fellowship programs, 560 Indian students applied and only 104 could be funded. We keep looking back in the hearing record and see that various other titles enable these colleges to have funding. So we have looked at the amounts of funding that can be identified as going to them. Under Title III, funds for the improvement of post-secondary institutions, only three percent and one percent respectively can be identified as even reaching Indians. As we all know, the major portions of these monies go to the sponsoring institutions and rarely reach the Indian students.

We keep hearing it is probable that Indians are recipients of higher education services through other institutions which is no doubt true, but if no one can identify who these Indian students are, it is certain their special needs are not being met. We want to look at the success rate of Indian-controlled community colleges. In a recent study last year, in non-Indian-controlled institutions, the dropout rate for higher education for Indians is upwards of fifty percent. In Indian-controlled community colleges, it is between five and ten percent. We do know that Indian-controlled secondary institutions are providing overall community services. Perhaps you want to call this the ripple effect. They are bringing professionals back to the reservation; they serve as community centers for the reservations; they are housing GED and other educational programs, special workshops and all of these things that serve the entire tribe. Therefore, we conclude that there has to be specific legislation to enable this education service to go on. They have a commendable success rate and we really encourage you that a bill such as S. 1215 be enacted into legislation with enough appropriation—I don't know if we have arrived at an answer as to what that would be—to enable all these inadequacies that we can point out here to be met. We want to stress firmly that this has to be through the control of the tribal councils. Indian community colleges cannot be established to circumvent tribes. This is one of the final recommendations of the Policy Review Committee, that we do concur strongly with and through resolutions of the National Congress we further concur strongly that control of education is the responsibility of the tribe and must go through that route. Thank you.

Mr. Blouin. Thank you.

Mr. Lawrence Snake.

STATEMENT OF LAWRENCE SNAKE

Mr. SNAKE. Thank you, Mr. Chairman.

Mr. Chairman and members of the Subcommittee on Elementary, Secondary and Vocational Education, and members of the Advisory Study Group on Indian Education of the Committee on Education and Labor.

I am Lawrence Snake, Chairman of the Education Committee of the National Tribal Chairmen's Association and President of the Delaware Tribe of Western Oklahoma.

NTCA is an association of the elected or appointed chairmen, presidents, governors, or chiefs of the federally recognized Indian tribes of the United States and the Alaska Native regional corporations. Our membership includes the leaders of aproximately 192 tribes from all regions of the country and most of the major reservations and represents approximately 90 percent of the estimated 800,000 American Indians and Alaska natives.

NTCA was formed in 1971 to represent the federally recognized tribes at the national level in working to secure the rights of Indian tribes and people. One of our primary organizational objectives and deeply felt responsibilities is the education of our Indian people.

The Indian youth of today, as well as non-Indian youth will be running our governments. We, therefore, want to help out in every way to get our Indian youth into some kind of education because the tribes felt that education is the basic tool for their future and for the society of Indian people. There have been numerous comments made about funding. I would like to just touch a bit on the funding of education and the BIA.

For the first time in a number of years the Bureau has given the tribes an opportunity to fund the various functions and to set their priorities through the band analysis. I think the band analysis should be a funding instrument that we can live with. I have heard that maybe the band analysis should not be used. But until we find a funding scheme better than the band analysis, I think that the Tribal Chairmen's Association would go on record as saying that the band analysis is an instrument that the tribes do have an input into, in keeping with 93-638, the Self-Determination Act and the education program, that we can set our priorities. We know what we want, as tribal people. This band analysis gets down to the tribal councils. The tribal chairman also does not make those determinations without the tribal executive board going in and going through the band analysis of each of the Bureau functions. I am not going to talk too much about the specific things. I know I am going to miss them in the statement. It is all in my prepared statement.

I want to say that the colleges, of the 21 Indian tribes that are chartered, that funding is necessary to keep those colleges open. The Lummi Aquaculture College which had no money, I would like to point out, $29.5 million of unexpended funds was returned to the Treasury and $206.7 was carried over into the next fiscal year.

It is very hard for me and the tribal chairmen to understand the monies that are returned, that are earmarked for educating our Indian youth.

At this time I would like to say that the education law of S. 1215 is a bill which the tribal chairmen can support. We do support this bill.

We are ready to work on all education issues. We know by putting our minds together we can further the fulfillment of the responsibilities of the U.S. Government to the Indian Tribal Governments.

I want to thank you at this time for giving me the privilege to be here. I know that my statement is brief, but I hope that you will take a look at the written statement and get the complete picture. Thank you.

[The prepared statement of Mr. Snake follows:]

STATEMENT OF

THE NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

TO THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

AND THE

ADVISORY STUDY GROUP ON INDIAN EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR

UNITED STATES HOUSE OF REPRESENTATIVES

With Respect to

FEDERAL SUPPORT OF AMERICAN INDIAN HIGHER EDUCATION

May 19, 1977

Submitted on Behalf of the
National Tribal Chairmen's Association
Lawrence Snake, Chairman
NTCA Education Committee

Statement of
Lawrence Snake, Chairman
NTCA Education Committee

Mr. Chairman, Members of the Subcommittee on Elementary, Secondary and Vocational Education, and Members of the Advisory Study Group on Indian Education of the Committee on Education and Labor:

I am Lawrence Snake, Chairman of the Education Committee of the National Tribal Chairmen's Association and President of the Delaware Tribe of Western Oklahoma.

NTCA is an association of the elected or appointed chairmen, presidents, governors, or chiefs of the federally recognized Indian tribes of the United States and the Alaska Native regional corporations. Our membership includes the leaders of approximately 192 tribes from all regions of the country and most of the major reservations and represents approximately 90 percent of the estimated 800,000 American Indians and Alaska Natives.

NTCA was formed in 1971 to represent the federally recognized tribes at the national level in working to secure the rights of Indian tribes and people. One of our primary organizational objectives and deeply felt responsibilities is the education of our Indian people. Besides my duties as elected chairman of the Delaware Tribe I have attended many meetings throughout the nation in order to keep our members fully informed of the complex educational issues that are so important to our people. Sometimes at these meetings I feel alone in a sea of professional educators and I sense that they do not hear my message. You have already shown your concern by inviting me to testify before you so I hope you will open your minds and hearts to what I have to say.

Federal Government resources should be made available first to Tribal Governments and subsequently to organizations or entities chartered or licensed by them. Such services should be delivered directly to the Indian people by a system sanctioned by these Tribal Governments. It is apparent to the National Tribal Chairmen's Association that an ever increasing number of organizations are being funded to provide services on an unprecedented scale to Indians. This diverts these resources and causes duplication and dilution of services. There needs to be coordination with Tribal Governments on all of the proposals being funded in the name of Indians.

The survival of Indian society depends upon its ability to project itself into the future. The development of our youth as tribal leaders and the response to the challenges of the future will determine the ultimate destiny of our society. They are our future hope. It is important, therefore, that Indian youth be encouraged to select fields of training so that they will be equipped with the technical knowledge to protect and manage these resources necessary for the survival of Indian societies. To this end, the Association expects the Federal Government to honor its commitment to the American Indians in the tribal context. It expects all others who make a commitment to Indians to do the same, because Indian identity is based on tribal culture, traditions, and history.

Probably at no time since the termination era of the 50's, has the position of tribal government been more threatened than it is today. The attack is being led by same educators who believe they know more about what is good for Indian people than those tribal leaders chosen by their people.

This is more ironic, for it occurs in the wake of PL 93-638, in which the Congress declared an end to Federal domination of programs for Indians and, that, there be a transition "to effective and meaningful participation by the Indian people in the planning, conduct, and administration of those programs and services."

The net effect of this action is to separate education from the total life of the tribes. To allow this to happen negates all logic and every major study on the interdependence of the community life with the total educational process. What children do in school is not exclusively a result of what happens in the school; but, is a result of what happens in their home and environment.

As such, decision makers influencing the education of Indian students must be the same who make decisions about the total Indian community -- namely, Tribal Government.

I suppose there will be an uproar from the "ivory towers" that to do this means that non-educators will be making educational decisions. However, we are all aware that the basic philosophy of American education is that responsible community leaders in conjunction with parents constitute public school boards of education, not committees of educators.

The delivery of Indian educational services and the Federal Administration of Indian programs must be constant and consistent, with responsibility centered with those who serve the totality of the Indian community.

Federal agencies including the Buareau of Indian Affairs, the National Institute of Education, the Office of Native American Programs, the Office of Indian Education, (DHEW), the U.S. Office of Education, the National Institute of Mental Health and other offices, bureaus and centers are circumventing the inherent authority of the federally recognized tribes in numerous instances by giving grants and contracts to non-tribal organizations for educational programs that would serve tribal members. Such educational programs include the areas school operations, training, research, technical assistance, evaluation and consultation. These grants go to both non-Indian and Indian organizations and most often these organizations have not had the courtesy to seek tribal sanction or endorsement.

Non-Indian colleges and universities receive hundreds of thousands of dollars of federal monies ostensibly to provide training and other services to tribes. These universities receive large amounts of scholarship and stipend monies and indirect costs from the Office of Education and other agencies, including foundations, that should be going through the education structures and fiscal authority of the tribes and thence on to the tribe's members. The tribes' sovereignty, its authority, its core of self-determination are being undermined by this rude circumvention. Since we realize that education means dollars, we are aware that these operating and overhead monies could mean a great deal to the economic stability of the tribes.

It is our observation that too many institutions and organizations and even federal agencies seek to circumvent the tribal authority by haphazardly appointing Indians to their board of directors, advisory councils and other decision making bodies. Often these influential boards are composed of the same non-tribally sanctioned members, year after year. We believe that this practice of denying tribes the direction and management of their own educational programs is wrong and must cease.

We must emphasize that the BIA and all other federal agencies must not circumvent the tribal councils of the federally recognized tribes when granting monies or contracts for all services including educational programs to Indian people. To do otherwise undermines and erodes the sovereign status of the federally recognized tribes. The purpose and spirit of the Indian Self-Determination and Education Assistance Act is that direction of education is firmly the prerogative of the tribe. We insist that BIA and DHEW education comply with the intent of the Act by awarding direct monies to "Indian organizations" only with the express consent and the approval of the tribes. We further inisist that BIA and DHEW education comply with the purpose and intent of the Act by consulting with Tribal Governments before awarding any monies or programs even should tribes decide that they do not wish to contract, and if they would rather have the Bureau of Indian Affairs continue to deliver educational services in accordance with tribal direction.

An extension of this position is that the BIA must not award educational monies that include scholarships to colleges or universities that define "American Indian" in loose and irresponsible terms. All colleges and universities that expect BIA monies for scholarships must use the BIA definition of American Indian. BIA receives monies from the Congress exclusively for the federally recognized tribes. We know that nearly 1/3 of the total BIA budget is allocated for education. We do not want leakages of this money to go to persons not members of federally recognized tribes.

We wish to recommend that the Advisory Study Group on Indian Education review this entire area of BIA grants to colleges and universities for post-secondary programs, and to review the research grants that have been made and to make recommendations for future research grants in keeping with the responsibility of the BIA - DOI.

We wish to make recommendations for tribally controlled colleges to assure equitable apportionment of funding to the 21 tribes that have chartered these colleges. NTCA is deeply concerned with educational equity for all tribes. We feel compassion for the small tribes as well as the larger tribes. Tribes are actualizing self-determination by chartering these post-secondary educational institutions. NTCA recognizes and supports these initiatives.

We understand the magnitude of funding higher education institutions; however, we are however somewhat unimpressed with the apparent sincerity of those who couple their support of the concept of Indian colleges with the responsible citizens'fear of the heavy financial burden on our taxpayers. Our skepticism stems among other things, from our recent knowledge that Bureau of Indian Affairs records indicate that in Fiscal Year 1976, $29,519,000 were unexpended and returned to the treasury and $206,716,000 were carried over into the next fiscal year.

I would hesitate now to recommend a funding strategy because the ramifications of alternative funding methods have wide ranging effects and need to be considered carefully by the tribes. This issue will be discussed at our upcoming annual convention this month in Atlanta when we address tribal involvement in the federal budgetary process.

At the last annual N.I.E.A. convention LaFollette Butler, Cherokee, talked of the continuing federal responsibility for and tribes' rightful expectation of educational and other services, and I quote.

> Incidentally, those of us who are interested in supporting the congressional commitment to the maintenance of the Federal Government's continuing and unique relationship with Indian people should not confuse Bureau of Indian Affairs programs based on the government-to-government relationship with Federal assistance programs which are based on need, which need Indians may have along with other ethnic groups. If the need is met the Federal assistance program ends, or if the Federal Government decides it is a need not to be met by the Federal Government, the program is not initiated or it ceases. It is extremely important to differentiate between the two concepts. I have found that Bureau of Indian Affairs education people are almost always surprised to hear about the government-to-government relationship between tribes and the Federal Government that exists as a legal and historical matter. It is not a basic tenet under which our education people operate.

This is something we can udnerstand and we hope that you can hear and understand.

We are ready to work with you on all Indian education issues. We know that by putting our minds together we can further the fulfillment of the responsibility of the United States Government to the Indian tribal governments.

Mr. **Blouin**. One area that I would like to get into right away was raised with the last panel and I think raised again by Ms. Tiger about tribal council control.

Is it sufficient to fall back on the tribal constitutional control of units within the tribe as we talked about with the last panel, where it exists, or are you concerned that it ought to go directly through the Tribal Council, period?

Ms. **Tiger**. I think it is difficult to make a blanket statement that is going to cover all tribes. I think, whatever the situation, it is best for each Tribal Council to determine what they determine to be adequate control over education, by whatever vehicle they give that control on to the institution; I think certainly that is satisfactory with NCAI in terms of what we define as tribal control. I don't think in all instances it means a tribal charter, but if the tribe so determines that it means a tribal charter for the college, then we can't come back and say that another college elsewhere doesn't need that.

Mr. **Snake**. I feel the same way. I think the tribal councils throughout the federally recognized tribes do want some kind of privilege of signing off or supporting or endorsing the college. I am not saying that every tribe, as was stated here, not every tribe has the capabilities because of the smallness of the tribes; not every tribe has an education committee, but I think most of them do.

We are very much interested in the colleges which have been established; we are very much interested in tribal support. I think that should be in all cases, whether it is in the Constitution or not; I think the tribes do have the prerogative to support the college as they see fit.

Ms. **Locke**. I cannot speak for the National Indian Education Association since we have members other than federally recognized tribes, but, as a Standing Rock Sioux tribal member, I would have to say that I agree with my fellow panel members that tribes must control all aspects of their lives, education, housing, health, law enforcement. I think that is essential; that is what Public Law 93-638 says, as I understand it. It is the direction in which we are moving, moving away from entities below the authority of the tribe to decide where the tribe is going to go.

Mr. **Blouin**. Just as a thought, not as an endorsement by any means, would there be any objection to having money pass through tribal councils with the directive that they establish an education committee which would concentrate on education as opposed to the tribal council being bogged down with so many things that they can't concentrate or does that cause you a problem?

Ms. LOCKE. I guess you are touching on a matter of courtesy and protocol. I would not dream of telling any tribe what to do. I think that you suggest, you open the doors, you explain all aspects, and you know, I really think that many of these entities, the tribes want them. It is just a matter of a passthrough kind of. It is a matter of courtesy and of explaining all of the issues. Our Indian people are very smart. These education issues are not too complicated for us. We can explain this to the person in the tribal language or in any language, and they can understand these issues and they will want them. It is something they all want, but it is a matter of courtesy and recognizing the authority of the tribe, and it takes a little protocol and courtesy; I think it is not going to be difficult.

Mr. BLOUIN. The reason I even mentioned it is that I remember in a few instances in our fieldwork talking with tribal councils, some of whom have suggested that they just plain don't want to be bogged down with the day-to-day operations of educational institutions. They wouldn't object to passthrough but they would not want the direct operational control and responsibility left in the hands of the tribal council, so that there is a division. Some tribal councils absolutely want it. How do you reconcile that difference? How can legislation be written to respond to the differences so that no one tribe, or at least a substantial minority of them, aren't being forced to do something that is against their wishes?

Ms. LOCKE. I think the language of Public Law 93-638 says it very clearly and very well. It says that an organization can request that the tribe—Could you help me out here?

Mr. LUJAN. I think that in legislative language that it has to be flexible enough, and as an example it says that the tribes may, and I think that that leaves the option open to the tribes to decide whether or not they want the money to flow right down through an educational committee, or whether or not they want to retain that particular option.

Mr. BLOUIN. In working with legislation, trying to draft a bill that will solve some of the problems in S. 1215, would your organization be willing to work with our staffs to come up with an acceptable language?

Ms. LOCKE. We would really like to do that.

Mr. SNAKE. We would appreciate it.

Mr. BLOUIN. To all of you again, is the Snyder Act enough to carry out the goals and dreams of educational achievement, assuming proper funding, or is it absolutely essential that there be a whole new act that clearly defines the role of higher education availability, the goal, targets and so on?

Ms. LOCKE. I think that so much of the policy depends on interpretation, and I think the previous panel gave what would probably be our answer too. You know only last year the Bureau of Indian Affairs determined that education was a right of Indian people. I can't believe that it was just last year. Up until then it was a privilege, so that interpretation has been one that I think is still in operation. If education were a right, then 5,000 eligible students would be in college right now, and all 21 of our Indian colleges would be funded. It must be a right, and that is final what the Bureau of Indian Affairs said. I will be interested in the response of

Dr. Demmert when you ask that question, but I am afraid that they don't understand that the Snyder Act means that we have the right to post-secondary education, the right to access for all of our people.

Mr. BLOUIN. I will do my darndest to ask him that question. Do either of you folks have any response to the Snyder Act question.

Mr. SNAKE. No, I don't. I was going to suggest though, not suggest, but make a statement on the Snyder Act. It is like any of the other acts. I think it needs to be upgraded in some respects because the Snyder Act is an old Act that was passed back in the early 1920s I believe, so I think that maybe the tribal chairmen should take a look at the Snyder Act and see what they can come up with in the way of trying to modify it in some way that it would be a better instrument to use.

Mr. BLOUIN. Specifically, Pat, I noticed in your comments you were talking about college, graduate work, et cetera. Where does vocational education at the post-secondary level fit into your hopes?

Ms. LOCKE. The answer to that is in a real sense about how Indians feel about themselves as members of tribes. You know we don't really think of ourselves as individuals so much as other groups of people in the country seem to think about themselves. We are tribal members no matter where we live. We have responsibilities to the tribe. Even though I live in Boulder, Colorado I am still a standing Rock Sioux tribal member, and I feel obligations toward that tribe. I would be very upset if my son, who has now just got his master's degree in education through the University of South Dakota were to become an interior decorator in Beverly Hills, or to do an activity that would not help Indian people all across the country and/or his own tribe. So education in the career sense means what the tribe needs for its economic survival and its cultural continuity, and that is the context in which we think about career and vocational education.

Most of the Indian tribally chartered colleges, the direction of their curricula is towards the economic and cultural survival of the tribe, so they are really career and vocational education oriented anyway. We think that the NCAI, NTCA and the NIEA made a statement to the Policy Review Commission that we believe that vocational education, career education, should be combined within the Bureau of Indian Affairs into all post-secondary education. I think it is a matter of semantics. Post-secondary has come to mean higher education, career education, vocational education, and I understand the fund for the improvement of post-secondary education is thinking even in terms of post-compulsory education as does England, anything you do after you don't have to go to school, age 16. So education to Indian people I think is a continuum, and it has various threads of career vocational, adult, post-secondary, higher education, graduate education. It is not so delineated.

Mr. BLOUIN. I am not sure I followed you. Your testimony centered on college and beyond as opposed to a non-4 year academic approach of vocational community college, a trade school, a specific professional school. I guess what I am trying to determine is whether or not your association is attempting to give preference legislatively to colleges instead of to the others, or whether you have just decided to highlight that area along with the other forms of education.

Mr. CORNELL. Would the gentleman yield there?

Mr. BLOUIN. Yes.

Mr. CORNELL. If I understood Ms. Locke correctly, my impression is that a community college would emphasize the vocational technical training. Is that what you meant?

Ms. LOCKE. I would say that in most schools there is a high proportion of vocational technical training.

Mr. CORNELL. How do you justify that in the sense of the proper educational opportunities for those who want to go on beyond the junior college if the emphasis is put in that area?

Ms. LOCKE. I am not saying that we do have an emphasis. I am saying that we do need both, that we need business administrators, managers of tribal activities. The tribes need that, and as each tribe sees it, they will provide that specific kind of education, whether it be vocational or getting the GED, and that is what a lot of these Indian colleges do, but also they prepare students, as you heard Dr. Bordeaux say, that one of the graudates is now back in the field of special education, so we are saying we need both. We deeply need Indian professionals and doctors, attorneys, business administrators, public administrators. We need those kinds of people as well as persons with specialties in the vocational career educational field. I did not touch on that. I understood Mr. Dave Gipp testified about vocational education yesterday so we did not touch on that field.

Mr. BLOUIN. I think the thing that raised concerns is that you are talking about 50 percent of the high school graduates, we should plan for 50 percent of them to go to college, 75 percent of them to graduate, 50 percent of those graduates to go on to postgraduate school, and a percentage of those beyond there. I don't know what the national average is of people who graduate from high school that go on to college, but I am not sure it is that high generally. I would think that if you are talking about including all forms of post-secondary education in that 50 percent figure, then I think I am with you.

Ms. LOCKE. Yes.

Mr. BLOUIN. But if you are talking about building enough college 4-year pressure cooker seats for 50 percent of the Indian population, I think you are doing an injustice to try to force them into that area, even though their desires may be educational pursuits in other directions.

Am I misinterpreting what you are saying?

Ms. LOCKE. No, they should have the opportunity for post-secondary education, at least 50 percent.

Mr. BLOUIN. Period, whatever it is.

Ms. LOCKE. Yes.

Mr. BLOUIN. Whatever their desires are.

Ms. LOCKE. Yes. I don't mean to say just higher education.

Mr. BLOUIN. Then I misunderstood what you were saying. You wouldn't suggest that there be some kind of incentives, financial, mandatory or otherwise to bring the Indian graduate back to the reservation, would you? You mentioned that you would be very upset if your son decided to be an interior decorator somewhere.

Ms. LOCKE. I guess I have to say my personal answer is I believe that they should be encouraged to return. There are too many

Indian attorneys working off reservation. I only know two or three attorneys that are really working for their tribes, and yet the tribal scholarship officers gave these students money. The tribes don't want to lose their people.

Mr. **Blouin**. I would agree that they should be encouraged to return, but I would think that the option should be there, if they chose to move to a city. God only knows why they would want to if the economic opportunities were present on the reservations.

Ms. **Locke**. But Mr. Blouin, you would agree that we do need people running the Bureau of Indian Affairs' central office for us. We do need peple running the area offices.

Mr. **Blouin**. Absolutely.

Ms. **Locke**. Some of our people have to be in key places, like the Education Commission of the States at WICHE, we need Indian people at various levels, so not everybody can go home and be with their families.

Mr. **Blouin**. I think we are on the same wavelength then.

I yield to Mr. Cornell.

Mr. **Cornell**. Thank you, Mr. Chairman.

For the nonce I would like to assume the role of the advocatus diaboli, inconsistent as that is with my profession. (Laughter)

Mr. **Blouin**. Do you want a response to that? (Laughter)

Mr. **Cornell**. When I came in, Ms. Locke, you were talking about the underrepresentation of the Indian people in professional schools. I would be interested in your reasons in this, especially in view of the fact that we are now getting letters and complaints about the preference given to minority groups in professional schools. I am not questioning the fact that they are underrepresented, but why do you feel they are?

Ms. **Locke**. We were not adequately prepared in our schools, in our Bureau of Indian Affairs schools, and we were not adequately prepared because of inadequate in-service teacher training and inadequate pre-service teacher training, in inadequate curricula related to our 252 languages that are still existing, because our children were bused far away from home. When I went to UCLA, I was the only Indian there, and we were not given scholarships in those days, in the 1940s. We just haven't been able to catch up.

Mr. **Cornell**. In other words, it doesn't really have anything to do with the policies of private or public college institutions. It is more that you feel that your people are not prepared; is that correct?

Ms. **Locke**. That is correct. Our people have the capacity and the capability to achieve post-secondary education, but the opportunity for access has not been there because of those curriculum and other insufficiencies.

Mr. **Cornell**. Of course, I believe I must mention here that I think every American citizen ought to have equal opportunity for education. I feel strongly that the Federal Goverment has tried to equalize that opportunity. Obviously a person in Mississippi, with the low income that they have compared to some of the other States, wouldn't have that equal opportunity, and I think that is where the Federal Government has to play a role.

You mentioned as one of the reasons, or objectives for having Indian colleges, would be to emphasize Indian culture as such. Do you think that that would be an adequate preparation, for obviously you don't intend to establish Indian professional schools, if they go on for graduate education? Is that your objective?

Ms. LOCKE. There is a need for Indian medical schools.

Mr. CORNELL. You do appreciate what the cost of this happens to be. Why do you say there is a need for Indian medical schools? There is, of course, a need for medical schools. Why Indian medical schools?

Ms. LOCKE. Because we only have 50 physicians. We need some concentrated effort in this field.

Mr. CORNELL. Pardon me, if I may interrupt you.

Just because you are short of enough professionals doesn't mean you have to establish professional schools. What you have to do is get more Indians into medical schools. You indicated already that this problem is not due to any of the admission policies of the institutions. Medical schools, of course, as I am sure you appreciate are tremendously expensive. The tuition of one of the local medical schools for this next year is $12,500 besides the subsidy that they get from the Federal Government.

What I am talking about here basically is costs. Back in my district we have a different situation than you do. We have quite a few Indian tribes. They are relatively small, but are thinking in terms of a junior college in an area where we have a lot of educational facilities, excellent vocational, technical, public and private institutions, and not the numbers in the Indian tribe, unless they accrue from all over, to justify it from a cost point of view, because we have to appreciate that higher education in any form today, the technical schools particularly, are tremendously expensive.

Now where you have instances of great distance, I can appreciate when you are talking about a community college or something of that nature, I think we have to be realistic, however, that we are not going to have the money for every individual group that wants to establish a vocational school or a community college. It is just unrealistic to say it is going to be available. Some tough decisions are going to be made. The question, of course, of how they are going to be determined bothers me.

One other point.

I don't want to lecture here. In regard to grants and scholarships, would I gather from what you say, Ms. Tiger, that you feel these are inadequate for the Indians at the present time?

Ms. TIGER. The amounts of moneys available certainly are inadequate because there are so many students who are unable to to go school because of lack of money and for no other reason.

Mr. CORNELL. Of course we have a lot of students who are unable to attend college because of a lack of money. I continually get letters on that. I would gather that Indian students are eligible for BEOGS and SEOGS, just as others are Of course, from an economic point of view there has to be justification.

Ms. LOCKE. Mr. Cornell, may I answer that one question? I wanted to let you know that there is a study under the Indian Health Care and Improvement Act that is doing a feasibility study on the need for an Indian medical college. That is Title VI, but what

I wanted to try to explain to you is why we need such a particular kind of school. I have a young Taos friend who was asked to leave the University of Colorado Medical School because according to her religion, which is valid and right for her and her tribal members, she is not allowed to touch cadavers, and so in her gross anatomy class she could not do that without violating the tenets of her religion, and so she was asked to leave this university, got kicked out.

She asked me and a friend named Helen Peterson to come and try to explain to the board of regents of the Medical School of the University of Colorado why she should be allowed to reenter. This young woman is going to be a child psychiatrist as well as a physician. We were successful finally in explaining why her religion was valid, and why she should be allowed to reenter when someone understood that maybe in some cases where their needs to be, what do you call it when you look at bodies after they are dead, autopsies, that someone else could be doing that just the same as perhaps a Catholic physician would not have to perform an abortion, so they understood then that our belief systems have validity, and cause us not to perform or become involved in certain activities.

Mr. CORNELL. But you would have varieties, even if you had your own, say, medical schools. You would have a great vaiety even there, because obviously you would have to draw from a large area of all different tribes.

Ms. LOCKE. We might need more than one then. I don't know what the feasibility is

Mr. CORNELL. I just can't see why you insist that it has to be an Indian medical school as a professional institution, because of the tremendous expenses involved in equipment, professors and the like.

Let me get on to one other point. Would you be willing to have in the legislation something to this effect: That for continued governmental support of post-secondary Indian schools, those schools must be certified? When I talk about "certification," this would, of course, be an evaluation. I ask that because you have emphasized the idea that such schools be under a tribal jurisidiction. I am not sure, like in any other institution, just because you have a group of interested people that they are going to be qualified to run an educational institution. It is important for the graduates of that institution that it be certified. Probably the only way that it could be required would be if the legislation emphasized that it would not receive continued aid.

How do you feel about that?

Ms. LOCKE. I think certainly certification and accreditation is a very important issue. How do you get on accreditation boards? Why do you say you are an expert in a particular field? I think the American Indian Higher Education Consortium is doing some interesting research work on the possibility of an Indian accreditation post-secondary organization, but we do understand that we need accreditation certification, for instance, to get Title III funding, and to my knowledge the Indian colleges are moving toward the accepted accreditation, the North Central Accreditation, et cetera. I think that it is okay to have it in the bill, but with the possibility that there may be an Indian accreditation association.

Mr **Cornell**. Of course you are always opening up possibilities here. It all depends upon the standard. I can start an accreditation agency for congressmen, for example, and give them all A pluses. There has got to be some objective standards for determination of accreditation.

One last question if you will bear with me, Mr. Chairman.

Mr. **Blouin**. As long as you don't go back to Latin I am all right.

Mr. **Cornell**. You talked about the difficulty as far as transition from high school to junior college, from junior college to advanced collegiate training, from college to professional school or graduate work, and you mentioned attrition. Do you know, is your attrition rate compartively, percentage-wise, any worse than the average that we have in this country?

Ms. **Locke**. No, the attrition rate is higher—

Mr. **Cornell**. Is it much higher?

Ms. **Locke**. —than all other minorities and all other people in the country.

Mr. **Cornell**. To what do you attribute that?

Ms. **Locke**. Inadequate curriculum, the inadequate preparation that our students have had. Our educational levels are just lower all down the line.

Mr. **Cornell**. Don't you think, therefore—and this is what I put to this young man who was talking to me about the junior college that he wanted to be affiliated with the college where I taught for 27 years—that your emphasis should be first on K through 12 rather than talking about junior colleges and professional schools, to improve the quality of your elementary and secondary schools in order that your students are better prepared?

Ms. **Locke**. That is equally as important as post-secondary education because some of our Indian people—an old Indian woman on the Cheyenne Indian River Reservation cannot communicate what is the matter with her to a white physician. We need Indian physician as well, and we need to concentrate on the whole spectrum of education, not one over the other. We need all of it.

Mr. **Cornell**. I am glad I am not an attorney on a witness stand with you. You do a very good job. You see, she says "equally important." You don't think that the emphasis should be greater, far greater on K through 12 to prepare them for college and future training.

Ms. **Locke**. As we get more trained educators, then they will be able to increase the emphasis on new curricula that is needed at elementary and secondary level.

Mr. **Cornell**. I should have known better.

Mr. **Blouin**. Just as a follow up to that, the tribal chief from the Sisseton tribe testified yesterday, and he mentioned that of the 14 Indian seniors who started the year in their public high schools, only 3 are going to graduate this year, and that is 14 out of maybe as many as 50 that started high school, which is just a percentage of those that finished the elementary level. In my opinion, it is a national disgrace that we have that kind of educational failure in response to the needs of Indian education. Not only are they dropouts. They are pushouts frankly. The system rejects them.

Aren't we losing an incredible amount of potential talent on the post-secondary level by not doing as Congressman Cornell is implying, emphasizing K through 12? I guess that what I am worried about is that I know this place well enough to know that there are only so many dollars that we are going to be able to sneak in for Indian education. Where should they be concentrated? Every place that I have been in the last few months since getting into this, I have seen incredible needs for facility construction everywhere at every level. It is embarrassing. It is depressing to see what conditions they have to live with in terms of education. At the same time, it is very uplifting to see what they have done with what they have got to work with.

I think there are needs for massive infusion of construction dollars. I think there needs to be incredible changes in the way the educational dollars are spent. You get more bang for your buck, if you will.

At the same time I think that Indians generally are educationally deprived in terms of postsecondary as well, but when there are only so many dollars to deal with in terms of what the Congress will earmark, where does the emphasis go?

You say equally. Does that mean we literally take the total educational dollars and put 50 percent earmark on K through 12, and 50 percent beyond? Do we have the dollar follow the student based on the numbers in each area, projected growth; how do you do it?

Ms. LOCKE. I am sorry that I am not economically very informed.

Mr. BROWN. In theory, how do you do it?

Ms. LOCKE. You place the question almost like saying which do I like best, my son or my daughter? I cannot differentiate the need. Little children certainly hurt more when so few are dropped out because they are not as hardened and desensitized as some of the yet-to-be disillusioned.

We have found several things through the excellent programs of the Title IV Indian Education Act, that when children have their own curricula in their own language, such as the school in Kuskokwim, Alaska, where the first three years are taught in the native language, their grade level achievement jumps up two years beyond the age level. So we know that if we allow Indians to use their language in the teaching techniques that we can improve our educational level.

Mr. BLOUIN. We just adapt the curriculum to the Indian origin, and make an incredible improvement?

Ms. LOCKE. That is correct. We need it as greatly. Our tribes want to survive economically. They want to run their own businesses. We have not had that experience, the techniques, the know-how to do these things. They need to be done at the same time.

I just cannot believe how much that bomber costs.

Mr. BLOUIN. I cannot either.

Ms. LOCKE. Just one wing—we need two wings of the bomber.

Mr. BLOUIN. That is their economy package.

Ms. LOCKE. Would you have anything to say on priorities? You understand me?

Mr. LUJAN. It is very difficult for us to make a choice. We know each area really needs the money. The community college concept needs to be developed and expanded, to develop what I consider an important thing that Indian children need; that is the reinforce-yourself concept. The way to do that is to have things you relate to that are not met in the public school system. Okay.

Now, you say how are we going to divide the money between elementary and postsecondary? I think we ought to reorder our priorities. It is a thing that we say here all the time. It is the Federal Government's responsibility for Indian education. Okay. Let's really take that bull by the horns and say we are going to do this by showing our commitment really.

Look at the Title IV projects; it is what I consider a very successful program, but every year we struggle for appropriations, we struggle and we struggle and we struggle. When I see what the cost of one carrier is, or one bomber, it really upsets me. I think we should really, really do something. In order to do it, we are going to have to put some money into it, to do it the way it has never been done before.

Mr. BLOUIN. I do not disagree with that. I think philosophically I am in total accord with you. When you look at the practical fact—I would love to piece together a bill that would fund totally K through postgraduate, every Indian kid in the country. But that would end up like so many treaties, you know.

Mr. LUJAN. Yes.

Mr. BLOUIN. It would not even be signed. It would be worse. It would never get through the first level of legislative action. There just are not the votes here to fund that kind of a project.

Mr. LUJAN. I know it is getting increasingly difficult for education monies. But one of the things that Indian people have to learn about is how the system works here, in terms of the budget process, because that is becoming a whole new education process that a lot of people do not know about and how much effect it is having on appropriations.

I think that once Indian people get a handle on what the budget process is, all these people in this room are familiar with the appropriations process, they know how that works, they know how the Bureau works, but they are not quite sure how to put it all together. I think we are approaching that. I think the evidence is in this bill, the postsecondary education bill; we are beginning to learn the sophistication of how this works, hearings on the Senate side, hearings on the House side, to develop a legislative record. That is how all the big boys do it. So we are learning.

When we really learn it, we will be able to assist you. You are out there alone saying you cannot make a case for one million Indian people, because they say look, we have 210 million people across the country; when we begin to become more effective lobbyists I think we can support your efforts a little better.

Mr. CORNELL. Mr. Chairman, I just want to comment: If you know about this appropriation process, I think a lot of congressmen could have——

Mr. BLOUIN. You can hold a school for congressmen.

Mr. CORNELL. Yes. But I think the most important thing is really the difference between authorization and appropriation. I think it is most unfair, not only with regard to the Indians, but our elderly people and others, that we enact grandiose programs, to do wonderful things for them, and then we do not appropriate the money for the programs. I can recall in the last Congress where one day we authorized $72 million additional funds for ERDA, for research in solar energy; the very next day on the floor of th House we voted on appropriations and the Appropriations Committee brought out $28 million; we tried to raise it to 42 and were defeated.

So I think it is most important that you realize that just the authorization from a committee is not the end of it at all. It is the appropriations that really makes the difference. Of course, as you say now, we work with the budget system, too. I agree with you that the better educated you are in this, the better job you can do as far as lobbying members of Congress.

Mr. BLOUIN. That is where I think your organization can be so helpful. You have the flexibility, all of you, to speak to 252 organized, recognized tribal councils and make some sense to them about the political process.

No more questions. Thank you very much for being here.

Ms. LOCKE. Thank you very much for allowing us.

[The prepared statement of Ms. Locke follows:]

STATEMENT OF
THE NATIONAL INDIAN EDUCATION ASSOCIATION
TO THE
SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION
AND THE
ADVISORY STUDY GROUP ON INDIAN EDUCATION
OF THE
COMMITTEE ON EDUCATION AND LABOR
UNITED STATES HOUSE OF REPRESENTATIVES

With Respect to
Federal Support of American Indian Higher Education
May 19, 1977

Submitted on Behalf of the
National Indian Education Association
Minneapolis, Minnesota by:
Patricia Locke, President

Patricia A. Locke, President
National Indian Education Association

Mr. Chairman, Members of the Subcommittee on Elementary, Secondary and Vocational Education, and Members of the Advisory Study Group on Indian Education of the Committee on Education and Labor:

I am Patricia Locke, President of the National Indian Education Association (NIEA), whose membership is composed of tribal Divisions and Departments of Education, parent education committees, teachers, administrators, students and others, both Indian and non-Indian, who are concerned with the improvement of the quality of all aspects of Indian education. Our NIEA Board of Directors is elected by a national constituency. One of our fundamental concerns is in the arena of postsecondary education that includes career, vocational and adult education, as well as undergraduate and graduate education.

I am pleased to be able to provide the Subcommittee and Advisory Study Group with some insights into the needs and growth of Indian postsecondary education because over the past six years, as the Director of Planning Resources in Minority Education (PRIME) at the Western Interstate Commission for Higher Education, we have assisted 18 tribes in the planning, initiation and development of tribally chartered colleges located on the reservations. We are about to publish the third edition of a Survey and Guide to Indian Studies Programs in Colleges and Universities that helps Indian students to make informed choices about postsecondary education. NIEA is also engaged in a national needs assessment of Indian education.

There are several issues that NIEA wishes to present that we hope will provide background information needed for a concerted legislative effort to improve Indian postsecondary education:

I. FEDERAL POLICY RELATING TO INDIAN POSTSECONDARY EDUCATION.

II. TRIBALLY CHARTERED COLLEGES: STATE OF THE ART, PROJECTIONS.

III. INDIAN STUDIES PROGRAMS AND SCHOLARSHIPS.

IV. RECOMMENDATIONS FOR LEGISLATION AND APPROPRIATIONS:
EDUCATION SERVICE CENTERS, RESEARCH, INDIAN PREPARATORY ACADEMIES, FUNDING FOR UNDERGRADUATE AND GRADUATE STUDENTS AND EQUITABLE FUNDING FOR TRIBALLY CHARTERED COLLEGES.

I. FEDERAL POLICY

Federal policy relating to Indian postsecondary education has not been clearly defined resulting in inequitable and insufficient financial support and services to both young Indian college bound students and to tribally chartered colleges that serve reservation tribal members. Over the years, various philosophies and policies toward Indian education have been promulgated that have imposed education for civilization, for Christian conversion and for assimilation.

A majority of the federal legislation and federal programs that were designed to meet the needs of a twentieth century urban industrial society have been uniformly applied to the rural/reservation Alaskan Native and American Indian people; often without regard to divergent languages, value systems and cultures of the tribes. It is obvious that the knowledge one needs to survive in Harlem is different from the knowledge one needs to survive in the Yukon-Kuskokwim region of Alaska.

Within DHEW, examples of the lack of fit are numerous: the Title IV-Civil Rights Desegregation Grants do not relate to the already geographically and culturally isolated reservations; the Bilingual-Title VII grants do not take into account the multi-lingual needs of confederated multiple tribes living on one reservation such as the Colorado River Tribes, the Quinault, the Warm Springs Confederated Tribes, the Bannock and Shoshone of Fort Hall, the Arapahoe and Shoshone of Wind River and others; and, Title VII seems to relate predominately to the Spanish-speaking.

Within the U.S. Office of Education, there is no consistent policy for funding Indian scholarships or tribally chartered colleges except for limited monies under Title IV, the Indian Education Act. In 1976-77, one to four year fellowships went to 67 students for degree programs in professional schools and to 37 students for undergraduate studies. Fellowships averaged $5,000 per student. There were 800 applicants. To this number should be added some 5,000 eligible students that requested, but did not receive, scholarship support from BIA nor OE. It must be noted that there is a high degree of controversy over who is an Indian in terms of eligibility for services from Title IV. This problem seems to be endemic to federal agencies who have some 20 different definitions of who is an Indian. To participate in Title III-Developing Institutions, tribally chartered colleges cannot be recognized as legitimate in themselves but must be funded through an already existing and established institution. Thus, a tribally chartered college may utilize only a small portion of the grant while the non-Indian institution receives the lion's share of the monies. Title III has begun to hire Indian educators as reader-consultants, but Indian readers are not always assigned to read Indian proposals.

The National Institute of Education (NIE) has an extremely poor record in providing research and development (knowledge production and utilization) grants to Indian organizations or to Indian colleges that would target research needs as perceived by Indians. NIE's policy in relation to who is an Indian is vague and undefined. The educational research needs of American Indian women are recently being sought.

A bright spot in DHEW is the Fund for the Improvement of Post-Secondary Education (FIPSE) that has funded a high number of Indian post-secondary programs in proportion to its total budget. FIPSE has had American Indian representation on its Advisory Board and hires Indian readers to read Indian proposals.

Tribes, whose reservations are within the boundaries of the states and who are fighting for tribal self-government are forced to figure out how to get the benefit of a large number of federal programs that will only consider State Educational Agencies and Local Educational Agencies as eligible for programs. Too many federal service providers apparently do not fully understand the Congressional findings articulated in PL 93-638 that "the prolonged Federal domination of Indian service programs...has denied to the Indian people an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities." Sec. 2. (a) (1).

As you are aware, the Senate and the House of Representatives of the U.S. Congress mandate explicit policy in PL 93-638 when the requirement is made that the Secretary of the Interior and the Secretary of Health, Education and Welfare are directed, "upon the request of any Indian tribe" to enter into contracts or make grants to plan, conduct, and administer programs. The full implications of this policy need to be understood by all appointees and civil servants in the BIA-DOI and in the DHEW.

The Bureau of Indian Affairs has also lacked consistent policy relating to postsecondary education. Prior to 1948, the primary BIA emphasis of postsecondary education was focused on vocational education. Those few American Indians who did enter and graduate from college did so on their own or borrowed resources or from BIA loans.

Postsecondary college appropriations began in FY '48 with a total allocation of $9,390 to aid about 50 students. In 1967, 2,348 students were enrolled in colleges with an overall appropriated amount of $1,913,320. By 1976, 16,000 students were enrolled and a total of $33,119,000 was appropriated. It is significant to note that in 1976, 5,102 qualified Indian applicants for BIA scholarships were not funded. In recent years, many eligible students wishing to attend college and graduate school were not funded due to lack of available monies.

It is obvious that this dramatic increase in Indian college enrollment was, in part, caused by Indians realizing that they, as tribal members, have a right to higher education, that Indians are capable of achieving success in college, that tribal members are encouraged to enter college because tribes need Indian college-educated people to help actualize tribal self-determination and that tribes have rejected the BIA educational policy of vocational education as the only postsecondary goal for tribal members.

The policy that education is a right of American Indians who are members of federally recognized tribes is unassailable. Until recently, there was a general BIA interpretation that education was a privilege for American

Indians. The affirmation that education is a right has broad implications. It means that all eligible Indians have a right to avail themselves of sufficient monies to attend school, and it means that the BIA must request sufficient appropriations to enable all who wish, to attend college.

According to the 1970 Census, there are 113,610 Indian students in the 19-to-44 years of age category. If the national average of 68% of high school graduates that attend college were applied to Indians, then 77,254 Indians might be attending college. Why are there some 60 thousand eligible American Indians not attending postsecondary programs? The BIA must inform these eligible Indian college students that they have a right to education. If the BIA found that the majority of eligible Indians wanted to attend college, then the BIA, it seems would request sufficient appropriations. Given the right of Indians to avail themselves of a college education, then there must be no ceiling on the funding available for these eligible Indian students. It also follows that funding should be available to meet 100% of an Indian college student's needs.

While there has been a rapid increase in the numbers of Indians attending college, the 1970 Census reveals some alarming data. Only 3.5% of all adult Indian males, 16 years of age and older, have completed college. Only 1.5% of rural or reservation Indians of this age have completed college, the lowest proportion of college-educated persons of any population group. Only 1.2% of rural or reservation Indian females have obtained a college education. Of the total Indian population, only 9% of Indian males and 11% of Indian females are professional and technical workers. Only 5.0% of Indian males and 2.4% of Indian females are managers and administrators. In addition, the income of rural Indians presents a picture of total poverty unmatched elsewhere in U.S. society. Almost two-thirds (64%) of all rural/reservation men earn less than $4,000 per year. Indian women nationally have the lowest income of any group. Of all Indian women, 80% earn less than $4,000; 86% of rural/reservation women earn less than $4,000. Added to these dismal statistics is the fact that one-third of all Indian families have an income under $4,000. This is a higher proportion of low-income families than is found in any other group and more than twice the national average. The median income for rural/reservation Indian female-headed families ranges from a high of $4,215 in South Dakota, to a low of $2,221 in Arizona.

The Bureau of Indian Affairs recently released the following table that illustrates the growth rate of Indian students into postsecondary education:

AMERICAN INDIANS INTO HIGHER EDUCATION AND GROWTH RATE FOR YEARS 1967-80, BIA

YEAR	ENROLLMENT	AMOUNT INCREASE	% OF INCREASES	ANNUAL APPROPRIATION FUNDING
1967	2,358	---	---	
1968	2,660	302	12.8%	$ 1,193,320
1969	3,432	772	29.0%	2,296,000
1970	4,271	839	24.4%	3,100,000
1971	6,623	1,352	31.7%	3,848,000
1972	12,438	5,815	87.8%	6,098,000
1973	13,326	888	7.1%	15,248,000
1974	13,500	174	1.3%	20,956,000
1975	14,700	1,200	8.9%	22,556,000
1976[1]	16,000	1,300	9.2%	31,045,000
1977[1]	17,000	1,000	9.0%	33,119,000
1978[2]	29,757	4,575	57.8%	35,956,000
1979[2]	34,987	5,412	18.3%	40,000,000
1980[2]	41,390	6,403	18.3%	45,000,000
				50,000,000

[1] Estimates based on current enrollment data

[2] Projected enrollment based on average increase of period 1967 through 1977

The projections for 1978, 1979 and 1980 do not take into account all eligible Indian students, ages 19 through 44 that may wish to attend college. As reported earlier, the 1970 Census stated that on a national average 68% of all high school graduates attend college. If this percentage were applied to Indians, then 77,248 Indian students would be attending college out of a total of 113,610 Indians in the 19-to-44 years of age category. Since it is widely believed that Census figures are inaccurate and that many who self-identify as Indians may not actually be eligible, the 113,610 figure may be slightly less.

Before moving away from the Bureau of Indian Affairs postsecondary services, it is important to describe the reactions of Indians at several field hearings held in 1976 to a key BIA policy that was stated in a letter from Wesley K. Sasaki, Branch Chief, Interior Branch, Natural Resources Division, Office of Management and Budget, Executive Office of the President to Stanley Doremus, Deputy Assistant Secretary, Program Development and Budget, Department of the Interior, dated February 24, 1976. It was suggested in this letter that the BIA scholarship program should come off the Band Analysis for the fiscal year 1978 because it would be more equitable to students to have nationwide criteria rather than to have geographically different criteria. The removal of higher education from the Band Analysis was an arbitrary decision by the Office of Management and Budget for FY '78 and one that may be presumed to continue in subsequent years. This arbitrary decision was thought to be a negative one and is counter to the philosophy inherent in PL 93-638 that tribes have the right to determine through the Band Analysis, priorities of all programs. There should be no compromise of tribal self-determination. PL 93-638 clearly defines the right and the role of the federally recognized tribes in determining all aspects of tribal management functions and programs. At field hearings, concern was expresed that if a major program such as Higher Education Scholarships and Grants is arbitrarily removed from the Band Analysis, then other areas of tribal decision-making might be also arbitrarily removed, thus further denying and preventing tribal participation in decision-making.

The OMB fear implied in the action to remove a major decision-making function is that tribes may not make good decisions. This is paternalism in it's most blatant sense. Even more serious is the aspect of possible defiance of the intent and purpose of PL 93-638.

The issue of the Band Analysis as it relates to the budget process was discussed in AIPRC's report Bureau of Indian Affairs Management Study. Some conclusions of the report were:

"The budget process is unique to the extent that the client is supposed to formally participate in the budget request through Band Analysis which allows tribal councils to set priorities for selected programs. However, long range planning capabilities do not exist while the organization of the budget and the planning function is fragmented and ineffective." The recommendation in the study is that a planning system must be created as part of the budget process to include comprehensive tribal needs analyses and long range plans.

Banded program outlays represent approximately $351 million for FY '77. In addition, $313 million in miscellaneous appropriations and trust funds are also outside of the banding process. Thus, more than half of the budget is not determined by Band Analysis." Non-banded programs include aid to public schools, off-reservation boarding schools, facilities and maintenance, education and training-general (also banded), college student assistance ($28,952) and all other career development (also banded).

The evaluation concluded that "although the present organization contains stated budget functions, in some instances the budget formulation and control functions at the area level are organizationally separated. This type of structure limits direct communication and fosters misunderstanding. Responsibility for some programs in unclear, because activities are split between the Band Analysis and central office administration."

Other observations were: that the planning process only extends 18 months into the future; apparently the audio-visual presentation is not communicating the budget process clearly in the field; tribal willingness to learn and understand the budget system exists, but effective leadership at the BIA agency level is deficient; client participation is a logical and laudable objective and should be supported to improve relations between the tribes and the federal government; such participation is a legal requirement under the Indian Reorganization Act of 1934 which prescribes communication of tribe requests to OMB and Congress.

The report further states that "the extent of present involvement cannot be interpreted as Indian determination of federal spending priorities. Effective tribal participation would include client evaluation of all department programs, not just a portion of BIA expenditures."

Other problems with the present system are: that tribal leaders are not informed regarding budget concepts and their ability to make changes; reasons for banding or not banding are not explained to tribes; and tribal participants have only a short time to make their priority decisions--a typical time span is 48 hours from initial presentation of information to final decision.

A recommendation was made that a comprehensive needs analysis should be undertaken to include: present and proposed tribal income, present BIA programs/benefits, plus other federal and state programs. Subsequently, long-range plans (5 years) should be formulated based on the present situation and the tribal needs analysis.

The discussion of in-Band and out-of-Band by field meeting participants, led to broad considerations of special programs that are not now fully within the Band Analysis process of tribal determination of programs and grants. The following data was considered:

(A) Annual Appropriations:

FY 1976 = $33,119,000 for Higher Education

FY 1977 - $35,956,000 for Higher Education

(B) Special Programs BIA Funded (Out-of-Band):

	FY 1977
Haskell, SIPI, IAIA	$4,500,000
Navajo Community College	4,403,200
Sinte Gleska	300,000
Lakota Higher Education	200,000
Harvard	176,000
University of New Mexico Law Program	1,250,000
University of California, Berkeley Masters of Public Health	133,000
University of North Dakota Indian Medical Program	250,000
Oklahoma State University	125,000
American Indian Scholarships	500,000
	$11,837,200

(C) Not Funded (neither on band or out-of-band):

Lummi School of Aquaculture
Standing Rock College
Sisseton Wahpeton College
Blackfeet College
Inupiat University of the Arctic
Tanana Chiefs Land Claims College
Cheyenne River Sioux College
Fort Peck College
Havasupai & Hualapai College

Turtle Mountain Chippewa College
Keweenaw Bay Ojibway College
Devils Lake Sioux College
Fort Berthold College
Winnebago)
Omaha) Nebraska Tribes College
Santee Sioux)
Fort Totten College (Little Hoop)
Dull Knife Memorial College

(D) 15 Contract Schools - 5.4 Million Dollars:

It was suggested that special programs (not including SIPI, IAIA and Haskell and the tribally chartered colleges) might consider themselves time-limited because they were initiated to provide a graduate college student service that resulted from a lack of planning for sufficient appropriations for graduate programs by the BIA. It was agreed that the BIA's past failure to provide funds that are proportional to the needs of graduate education has required the emergence of these special programs not now subject to tribal decision-making. This lack of planning for graduate programs has deprived the tribes of a pool of business and education administrators, attorneys, engineers, physicians, health professionals, etc. Thus, we are in the awkward position of trying to comply with PL 93-638 and making this law work through strong tribal participation in the Band Analysis, and at the same time, trying to train graduate Indian professionals that would help the tribes to truly implement PL 93-638.

Higher education grants and scholarships must be placed back on the Band Analysis. With the exception of national programs such as Haskell, SIPI, and IAIA, all special programs must be moved back into the Band Analysis, unless they can prove they provide a national service function that could not be managed and operated as effectively by the individual tribes or that would not otherwise be provided. Sinte Gleska, Lakota Higher Education and Navajo Community College are already on the Band Analysis form. Special programs, in order to be exempt from the Band Analysis, must demonstrate that:

(1) they are national in scope and provide equitable services to all tribes;

(2) they reflect national tribal input into program policy by the institutionalizing of an advisory board of directors that is nominated by tribes from the regions and whose board tenure is regulated by staggered terms of office; and,

(3) they are providing services that could not otherwise be provided in the present and immediate future.

In summary, federal policy relating to Indian postsecondary education is inconsistent, is not responsible to tribal authority, does not provide for sufficient funding to meet expressed needs and is inequitable in its services to tribes.

II. TRIBALLY CHARTERED COLLEGES: STATE OF THE ART AND PROJECTIONS

On April 25, 1977, the National Indian Education Association, with the concurrence of the Education Committees of the National Tribal Chairmen's Association and the National Congress of American Indians, submitted several recommendations to the American Indian Policy Review Commission. Those recommendations are attached as an appendix to this statement. The recommendation related to tribally chartered colleges was: "Legislation must be enacted to provide funding for the planning and development of, and for basic operational support to the tribes for their tribally chartered colleges. Support must be provided for tribes who wish to establish four year and graduate institutions. The funding process must not circumvent the tribal governments but must be consistent with PL 93-638." In discussions leading to this statement, there was agreement that the initiation and functioning of tribally chartered colleges represents a tangible and positive exercise in self-determination by the tribes. It is becoming mere and more apparent that dozens of tribes from all over the country have a hunger for education beyond the high school that is now beginning to be staisfied as tribes realize that postsecondary education can be brought to the reservations and that it can be designed to be appropriate to their economic and cultural needs.

Indian people think of education as a continuum. Indian adults in their 30's, 40's, 50's and even 60's can aspire to be lawyers, nurses, teachers, administrators, veterinarians or whatever else is satisfying and productive. It is so important that postsecondary educational opportunities are available locally so that Indians with family and job responsibilities are not forced to leave their reservation homes and move hundreds of miles to cities where education is available. The federal policy of the 1950's and 1960's to relocate Indian adults to the cities was a financial failure and more importantly, was destructive to family life. It is astonishing that the BIA apparently has not learned this lesson or articulated this message to the Office of Education and to the Congress. If it had, then more than three out of the 27 tribes would be receiving financial support and technical assistance from the BIA resources to plan and operate college programs.

The following 21 tribes have, through enabling legislation, chartered colleges for the primary benefit of their tribal members:

1. Blackfeet Tribe of Montana
2. Cheyenne River Sioux Tribe of South Dakota
3. Fort Berthold Tribes of North Dakota
4. Fort Peck Sioux and Assiniboine Tribes of Montana
5. Fort Totten Devil's Lake Sioux of North Dakota
6. Havasupai of Arizona
7. Hualapai of Arizona
8. Keweenah Bay Chippewa of Michigan
9. Lummi Tribe of Washington
10. Navajo Tribe of Arizona
11. Northern Cheyenne of Montana
12. North Slope Borough (Inupiat Eskimo) of Alaska
13. Omaha of Nebraska
14. Pine Ridge Sioux of South Dakota
15. Rosebud Sioux of South Dakota
16. Santee Sioux of Nebraska
17. Sisseton-Wahpeton Sioux of South Dakota
18. Standing Rock Sioux of South Dakota
19. Tanana Chiefs (Athabascan) of Alaska
20. Turtle Mountain Chippewa of North Dakota
21. Winnebago of Nebraska

Other Indian/Alaskan Native Colleges that are operating to serve tribal entities, but that are not now chartered by tribal authority are:

1. Kuskokwim Community College (Yupik Eskimo) of Alaska
2. Flaming Rainbow College (Cherokee) of Oklahoma
3. Northwest Community College (Eskimo) of Alaska

There are three consortia organized to promote and support reservation based tribally chartered colleges. They are: the Montana Indian Higher Education Consortium, consisting of the tribes of the Blackfeet, Crow, Fort Belknap, Fort Peck and Northern Cheyenne; the American Indian Higher Education Consortium; and the Consortium of Colleges for Alaska Natives consisting of two Alaskan Native colleges, the Tanana Chiefs College and the Inupiat University of the Arctic, and of two non-Native colleges, the Sheldon Jackson College and Alaska Methodist University.

The following six tribes are in the early planning stages of the development of college programs:

1. The Fort Belknap Tribes of Montana
2. The Mississippi Band of Choctaw
3. The Crow of Montana
4. The Colorado River Tribes of Arizona
5. The Makah of Washington
6. The White Mountain Apache of Arizona

The 21 tribes having colleges, the consortia, and the 6 tribes that are planning colleges should all be receiving planning and basic operational financial support from federal sources. Instead, these tribal college programs are experiencing dire financial problems. Most cannot plan for next month or next semester. A good portion of operating expenses come from meagre tribal resources that are bolstered by faculty and administrators that contribute volunteer services. It should be noted that PRIME at WICHE, providing planning and technical assistance to many of the tribes, is supported by foundations, primarily the Ford Foundation, and does not receive federal support from BIA or OE for these efforts.

An example of a tribal college struggling to provide needed post-secondary education with meagre financial support, is the Lummi Tribe's School of Aquaculture. The purpose of this college is to enhance the employability of Indians by providing theoretical and applied science training to potential aquaculturists from Indian enterprises across the United States.

While the emphasis is mainly on fisheries development, the total experience applies to the following areas: surface and ground water resource quality, suitability of water resources for aquaculture, fisheries and wildlife expansion for recreational purposes, and long-range natural resources conservation program development. Now in its fourth year, the Lummi School of Aquaculture has trained nearly 150 Indian people from 25 tribes from Alaska to Maine. Approximately 25 students graduate per year from this two-year program. Results are solid. Tribal enterprises on the East Coast, and in Arizona, Alaska, Montana, Idaho and Washington are now staffed by LSH graduates. As a result of this postsecondary initiative, the Lummi tribe is in debt about $160,000 and ten staff are now working without pay to complete the current training sessions. On May 1, 1977 the money ran out. $130,000 is needed to finish the session ending in September. The Lummi School of Aquaculture, one of the most innovative of the special focus tribally chartered colleges needs $330,000 per year to operate its program for fifty students. It is difficult to make a more cogent case that tribal self-determination in postsecondary education is working almost in spite of consistent federal support.

III. INDIAN STUDIES PROGRAMS AND SCHOLARSHIPS

In this time of declining overall student enrollments and decreasing funds available to the nation's colleges and universities, there has been evidenced an inclination by colleges and universities to recruit Indian students and to initiate special Indian programs that bring with them stipends, indirect costs and other designated monies.

These colleges and universities have not, for the most part, shown institutional commitment to the Indian students in terms of scholarship support or guidance and counseling support. The institutions have not, for the most part, shown respect for tribal governments or tribal cultures because they do not seek tribal endorsement, input or evaluation of special Indian programs, nor do they often acknowledge the validity of American Indian languages, philosophy, fine arts or other subject matter.

These colleges and universities are frequently careless in their methods and criteria in determining who is eligible for receiving monies and programs designated for American Indians.

Another concern is that colleges and universities do not often institutionalize Indian programs but rather depend solely on outside "soft" monies--this compounds the failure to respond. Many of the colleges are Morrill Act colleges.

Specific criteria regarding institutional committment and quality must be considered before awarding colleges and universities higher education program funds intended for federally recognized American Indian students. These criteria must include:

1. An institution's demonstrated plans and capacity for institutionalizing Indian programs, including the hiring of Indian faculty and other personnel.
2. Evidence of scholarship support.
3. Evidence of tribal support, endorsement, input and evaluation of special Indian programs.
4. Evidence of respect for the validity of American Indian languages, philosophy, fine arts and other curricula.
5. A mechanism for identifying eligible American Indians for program services that is consistent with BIA eligibility criteria. This criteria must also apply to faculty and other staff hired to work in special Indian programs.

Other criteria developed must not supercede criteria developed by specific tribal peoples for local tribally controlled institutions of post-secondary education.

To summarize scholarship recommendations, the federal government should provide support so that the following postsecondary objectives could be achieved:

1. TO PLAN FOR SUFFICIENT APPROPRIATIONS SO THAT AT LEAST ONE HALF (50%) OF HIGH SCHOOL GRADUATES MAY ATTEND COLLEGES OR UNIVERSITIES.
2. TO PLAN FOR SUFFICIENT APPROPRIATIONS SO THAT 75% OF ENROLLED FRESHMAN MAY COMPLETE UNDERGRADUATE WORK.

3. TO PLAN FOR SUFFICIENT APPROPRIATIONS SO THAT AT LEAST 50% OF UNDERGRADUATES MAY ENTER GRADUATE SCHOOL.
4. TO PLAN FOR SUFFICIENT APPROPRIATIONS SO THAT 75% OF ENROLLED GRADUATE STUDENTS MAY COMPLETE GRADUATE SCHOOL.

IV. OTHER RECOMMENDATIONS FOR LEGISLATION AND APPROPRIATIONS

ISSUE: Need for Five Indian Education Service Centers

A majority of the tribes are geographically isolated and are poor. Tribal Divisions of Education and education committees are thus denied access to available educational curricular and research materials nor do they receive adequate training and technical assistance for their postsecondary and other education programs. Tribes need these services of program planning assistance. They need to have expert advice in the Band Analysis planning procedure related to budgetary priorities, in curricula development, proposal writing and evaluation of programs. They need to know about exemplary Indian education programs that may be adapted and replicated. All of this assistance should be more geographically accessible.

RECOMMENDATION

There shall be established by the BIA and supported by the U.S. Office of Education, five Indian Education Service Centers. The function of the Service Centers shall be to provide:

1. Data bank collection and retrieval and linkage and dissemination functions.
2. Technical assistance including training programs.
3. Research and development (knowledge production and utilization).

Such Service Centers might be located in Anchorage, Alaska; San Francisco, California; Denver, Colorado; Chicago, Illinois; and Washington, DC.

The Service Centers should be placed under the authority of the BIA-DOI, but such line authority would not preclude future placement and structuring within an independent and comprehensive Agency in Indian Affairs.

Staffing for the five Education Service Centers would be selected according to standards to be developed for the Indian Career Services' Division of Recruitment and Training that would develop avenues for the recruitment of qualified Indians as mandated by Section 12 of the Indian Reorganization Act.

The five Service Centers would be responsible for cooperating with and assisting tribal councils and tribal Divisions or Departments of Education that have comprehensive and coordinative management of tribal education programs.

ISSUE: Needs in Research Data Development and Collection

There are currently few statistics on who our Indian students are. The BIA 1975 Statistics Concerning Indian Education provides us with two figures: 190,220 and 208,607 for school children ages 5 to 18. We must have accurate figures on Indian children in Home Start, Day Care and other early childhood programs. We must have statistics on tribal members over 18 who are attending or wish to attend tribal colleges and other career education, adult education and vocational education programs. We are primarily interested in actual and potential students who are members of federally recognized tribes or those students who are eligible because their parents are members of federally recognized tribes. Because verification of tribal enrollment is important to obtaining information about the expanding pool of students, a tribal identity card would simplify verification of tribal enrollment.

RECOMMENDATION

The Bureau of Indian Affairs and the National Institute of Education must fund Indian projects to initiate research to compile data and statistics that will provide information relating to the profile, characteristics, age range and numbers of actual and potential Indian students who are eligible for services in education. This base data is essential for planning future Indian education programs and to plan budgets for submission to the Office of Management and Budget.

In addition to student profile information, the BIA must gather data on: student flow; what happens to high school graduates; what happens to college graduates; what happens to graduate school students; the varieties of scholarships available from the federal and private sectors; and information about college programs available. Additional research needs include knowledge concerning the variences in Indian and Eskimo learning modalities and the unique intellectual strengths of persons of the diverse Indian cultures. For instance, Eskimos have high figural skills and abilities that would indicate that instructional strategies should be adapted to match these abilities. Research should be conducted relating to the traditional roles of elders and holy/medicine persons as teachers and the impact of native languages on these teaching strategies.

There is a need for an American Indian Research Council sponsored by the BIA-DOI that would give advice regarding research needs and priorities in the field of Indian education. Research in Indian education by qualified Indians has been neglected in the BIA. Until recently educational research by and for Indians has been seriously neglected at the National Institute of Education-DHEW.

ISSUE: Need for Preparatory Academies

Because of inadequate preparation, many Indian students are not successful in college. Attrition rates between the first and second year of college are above 50%. In addition, Indian students have difficulty in entering graduate programs because of a lack of specialized academic skills. There is a critical need for both pre-college and graduate preparatory programs that would adequately prepare Indian students for success in areas of study that are critical to tribal needs. Indian professionals are scarce in the areas of medicine, law, natural resources, etc.

RECOMMENDATION

There must be established at least five regional American Indian Preparatory Academies of high quality to meet the needs of students preparing to enter college and special graduate programs. The Bureau of Indian Affairs should give this charge to the appropriate National Indian Education Councils to develop a workable plan. The BIA should then request adequate appropriations from the Congress to support such Academies.

The final recommendation is a request for equitable funding for tribally chartered colleges either through a special BIA line item request and appropriations, through increased overall appropriations for all BIA programs that would make increased monies available to the tribes through the Band Analysis, through significantly increased PL 93-638 appropriations, through special legislation for tribally chartered colleges, or a combination of the above. The Advisory Study Group on Indian Education might, to good advantage, hold a special hearing to learn from the tribes which single or combination of strategies would be most appropriate.

Many of the ideas and recommendations presented in this testimony are culled from the thinking of Indian educators and tribal people that attended an Indian postsecondary education meeting convened by PRIME at WICHE in November 1976 and from the references included in the appendix to this testimony.

In behalf of the National Indian Education Association, I thank you for this opportunity to testify on Indian Postsecondary Education.

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NATIONAL INDIAN EDUCATION ASSOCIATION

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25 April 1977

Senator James Abourezk
Chairman, American Indian Policy Review Commission
Congress of the United States
House Office Building Annex No. 2
2nd and D Streets, S.W.
Washington, D. C. 20515

Dear Senator Abourezk:

The National Indian Education Association, with the concurrence of the Education Committees of the National Tribal Chairmen's Association and the National Congress of American Indians, herewith submit to the AIPRC a statement of comment and recommendations related to Indian education.

We respectfully request that you accept and add our comments and recommendations as an addendum to the Task Force Five Final Report on Indian Education of the American Indian Policy Review Commission and to the Final Report under the heading of Social Services.

Sincerely,

Patricia Locke

Patricia Locke, President
National Indian Education Association

CC: Georgiana Tiger
Lawrence Snake
Ernie Stevens, Executive Director
Enclosure: Statement

PL:mjc

STATEMENT

National Indian Education Association (NIEA)
Education Committee: National Congress
of American Indians (NCAI)
Education Committee: National Tribal
Chairmen's Association (NTCA)

COMMENTS ON PROPOSED LEGISLATION (p. 281-294)

In previous and separate letters and resolutions from each of the above organizations, strong objections were voiced regarding the proposed Indian Education Act of 1977 to establish a National Indian Education Commission and to establish a National Trust Fund for Indian Education. While we agree that consolidation and coordination of Indian education programs is desirable, we continue to reject the particular proposed plan for an Indian Education Act of 1977 as described in Section VII - Proposed Legislation, of the Task Force V Report.

Any such proposed legislation should have the prior approval and endorsement of the National Tribal Chairmen's Association, the National Congress of American Indians and the National Indian Education Association.

We will propose alternative recommendations to strengthen Indian education.

COMMENTS ON RECOMMENDATION THAT A SINGLE FEDERAL AGENCY SHOULD BE ESTABLISHED FOR INDIAN EDUCATION

We recommend that policies be defined, programs initiated and strengthened and reforms made within the Education Office of the Bureau of Indian Affairs, DOI. Should the tribes agree that a new independent agency would strengthen the Federal-Indian relationship and if, in the future, should such an agency be created, then education should be a part of, and not separate from, the whole. Tribes should design programs and structure prior to establishment of a consolidated Indian Agency.

At present, the National Indian Education Association and the Education Committees of NCAI and NTCA, cannot respond to AIPRC's recommendation that a single federal agency be created for Indian education because we have not been made aware of the structure, functions and authority of such an agency as it pertains to Indian education. It is our concern that such an agency would have to insure protection of the Indian-Federal trust relationship.

COMMENTS ON THE NEED FOR CONSISTENCY IN TERMINOLOGY AND USAGE THROUGHOUT THE SECTION ON EDUCATION (pps. 8-76 through 8-130)

Throughout the report there should be a consistent focus toward the education of Indians as benefitting members of tribes as controlled and determined by tribes. Much of the existing terminology vaguely refers to Indian "people", and "Indian" and "community" control. This is inconsistent with AIPRC recommendations relating to the tribal control of education and that education is clearly a jurisdictional right of the tribes. We strongly recommend that all references to "community", "local" and "Indian" control be deleted and that tribes or tribal control be inserted.

In the following section, issues or problems will be discussed briefly and recommendations made pertinent to the issues.

ISSUE: Need for National Indian Education Councils (BIA) to Set Policies and Priorities

Indian education policy is not now defined. There is ambiguity and vagueness in defining the "special educational needs" of Indian children in the context of the various areas of Indian education. The Office of Education-BIA does not have an institutionalized system to provide advice relating to these educational policy areas. There are many qualified Indian educators knowledgeable in specialized fields that can give advice to the BIA relating to policy issues and program planning so that Indian education could be more responsive to tribal needs. The Education Office within the Bureau of Indian Affairs must heed the advice of a formalized body of Indian educators. NIEA, NTCA and NCAI have repeatedly recommended by policy papers and resolutions that the BIA Education must establish an all Indian Council to set policy and give expert advice on programs. Such a Council should also provide appropriate advice to education related functions of BIA Employment Assistance Office and continuing education functions of the BIA's Division of Law and Order in order to support the training needs of law enforcement related services.

RECOMMENDATION

There must be established nine councils on Indian Education within the BIA to develop comprehensive policy and program planning in various fields of Indian education and specifically in the following areas:

1. Council on Early Childhood Education
2. Council on Elementary and Secondary Education
3. Council on Postsecondary Education (to include vocational, career, and adult education)
4. Council on Education and the Media (to include library programs)
5. Council on Special Education (to include handicapped, learning disabled, and gifted and talented)
6. Council on School and Plant Facilities/Operation
7. Council on Research and Development (to include development of measurement, instrumentation and accreditation)
8. Council on Teacher Training (to include the training of administrators)
9. Council on Bilingual and Multilingual Education (to include curriculum development)

Council Representation: There shall be three American Indians on each Commission. Representatives shall be recommended by the tribes and selected according to depth of knowledge in each field. After three years, Council will be composed of a total of nine members.

Terms of Service: The Council appointees shall serve 2 to 3 terms in order that there will be a revolving cycle of new representatives.

Functions of Councils: The Councils shall establish policy, program planning, and evaluation of Indian Education programs. They shall develop a priority of goals annually; they shall propose long-range budget estimates for Indian Education in the particular fields.

Each Council shall develop guidelines based on tribal recommendations relative to the licensing and certification of educational personnel.

Each Council shall develop curricular alternatives in the particular fields. Such policies shall be reflected in the BIA Manual.

ISSUE: Need for Five Indian Education Service Centers

A majority of the tribes are geographically isolated and are poor. Tribal Divisions of Education and education committees are thus denied access to available educational curricular and research materials nor do they receive adequate training and technical assistance. Tribes need these services of program planning assistance. They need to have expert advice in the band analysis planning procedure related to budgetary priorities, in curricula development, proposal writing and evaluation of programs. They need to know about exemplary Indian education programs that may be adapted and replicated. All of this assistance should be more geographically accessible.

RECOMMENDATION

There shall be established by the BIA five Indian Education Service Centers. The function of the Service Centers shall be to provide:

1. Data bank collection and retrieval and linkage and dissemination functions.
2. Technical assistance including training programs.
3. Research and development (Knowledge production and utilization).

Such Service Centers shall be located in Anchorage, Alaska; San Francisco, California; Denver, Colorado; Chicago, Illinois; and Washington, D. C. (to coincide with communications systems sites as proposed in Chapter C: Federal Administration, page 46).

The Service Centers shall be placed under the authority of the BIA-DOI but such line authority does not preclude future placement and structuring within an independent and comprehensive Agency on Indian Affairs.

Staffing for the five Education Service Centers shall be selected according to standards to be developed for the Indian Career Services' Division of Recruitment and Training that would develop avenues for the recruitment of qualified Indians as mandated by Section 12 of the Indian Reorganization Act.

The five Service Centers shall be responsible for cooperating with and assisting tribal councils and tribal Divisions or Departments of Education that have comprehensive and coordinative management of tribal education programs.

The nine National Indian Education Councils shall meet regularly at the five Service Centers in order to provide additional technical assistance and research information.

ISSUE: Need for an Indian Career Service

A policy that Indians are to receive "absolute employment preference" was first enunciated in 1882. This policy has been reaffirmed in the Indian Reorganization Act of 1934, in a 1946 solicitor general's opinion, and in a presidential policy statement in 1970. Yet in the BIA, Indians predominantly occupy low level positions and non-Indians disproportionately occupy high policy making posts. Indians constitute fully 84.6% of BIA employees in the four lowest G.S. brackets, but only 16.8% of the employees at G.S. levels 14 and above. These overall figures are similarly reflected in the BIA educational systems. Past attempts at providing inservice education training to non-Indians has been discouraging. The present Civil Service system perpetuates the situation where non-Indians are unsuccessfully teaching our Indian children and administering education programs.

RECOMMENDATION

The Congress should enact legislation establishing an Indian Career Service, independent of the Civil Service, throughout federal Indian programs now operated by the various Offices and Agencies including the Office of Indian Education OE-DHEW and the Indian Public Health Service and as authorized by Section 12 of the Indian Reorganization Act.

ISSUE: Inadequate Support for Tribally Chartered Colleges

At present, the financing of tribally chartered colleges serving members of federally recognized tribes is inequitable and insufficient. Only three tribally chartered colleges, the Navajo Community College, Rosebud's Sinte Gleska and Pine Ridge's Lakota College, are receiving BIA support. There is no comprehensive financing plan to provide basic support for the 20 tribes now operating colleges: Rosebud Sioux, Pine Ridge Sioux, Sisseton-Wahpeton Sioux, Cheyenne River Sioux, Standing Rock Sioux, Santee Sioux, Omaha, Winnebago, Turtle Mountain Chippewa, Lummi, Blackfeet, Navajo, Tanana Chiefs, Inupiat, Northern Cheyenne, Devil's Lake Sioux, Hualapai-Havasupai, Keweenaw Bay Chippewa and Fort Berthold (Hidatsa, Mandan and Arikara). There is a lack of fiscal projections for requests for appropriations for next year and the next five years for these tribes' postsecondary education college programs. The tribally chartered colleges also need ongoing technical assistance after they are established.

Flaming Rainbow at Tahlequah, Oklahoma, the college serving the Cherokee, is also lacking BIA operational support. It is at present not tribally chartered, but its student body is 60% Cherokee. Flaming Rainbow and Inupiat are four-year institutions.

The BIA also has the responsibility to assist in the developmental aspects of tribal postsecondary programs. The following tribes are currently planning tribally chartered colleges: The Mississippi Band of Choctaw; the Crow; the Fort Belknap; the Fort Peck Assiniboine and Sioux; and the White Mountain Apache.

RECOMMENDATION

Legislation must be enacted to provide funding for the planning and development of, and for basic operational support to the tribes for their tribally chartered colleges. Support must be provided for tribes who wish to establish four year and graduate institutions. The funding process must not circumvent the tribal governments but must be consistent with P.L. 93-638.

ISSUE: Conflicting Education Decision Makers - Need for Tribal Education Divisio

All tribes do not now have full authority in fiscal matters and other policy decisions regarding education programs for their tribal members. These authorities are frequently assumed by individuals and organizations not responsible to the elected tribal governments. The result of this assumption of authority has often been fiscal and decision-making circumvention of the tribal governments. Another result has been a proliferation of education committees, boards and organizations that frequently have overlapping and confusing programs and priorities without true attention to tribal priorities.

RECOMMENDATION

In order to ensure tribal self-determination and decision-making in all aspects of education, it is recommended that support be given to tribes that wish to initiate tribal divisions or departments of education. Tribal divisions of education would have the purpose of coordinating and consolidating all education programs within the jurisdiction of the tribe, including early childhood, elementary, secondary, postsecondary scholarship programs and career education programs such as the BIA Employment Assistance Program. Such programs as Title I, Title IV, Title VII, JOM, tribal colleges, contract schools, etc., could then be coordinated by the Tribal Division of Education in order to avoid overlap and duplication of programs and to avoid fiscal decision-making circumvention of the tribal authority. Parental involvement would continue to be stressed but would be within the context of tribal control and authority.

ISSUE: Need for Preparatory Academies

Because of inadequate preparation, many Indian students are not successful in college. Attrition rates between the first and second year of college are above 50%. In addition, Indian students have difficulty in entering graduate programs because of a lack of specialized academic skills. There is a critical need for both pre-college and graduate preparatory programs that would adequately prepare Indian students for success in areas of study that are critical to tribal needs. Indian professionals are scarce in the areas of medicine, law, natural resources, etc.

RECOMMENDATION

There must be established at least five regional American Indian Preparatory Academies of high quality to meet the needs of students preparing to enter college and special graduate programs. The Bureau of Indian Affairs should give this charge to the appropriate National Indian Education Councils to develop a workable plan. The BIA should then request adequate appropriations from the Congress to support such Academies.

ISSUE: Needs for Indian Special Education

Indian children that are handicapped, learning disabled and gifted and talented are the most educationally neglected of all children. These children are miseducated and undereducated because the BIA, the Office of Education, and state education agencies have failed to provide appropriate programs for the Indian child with special education needs. These children have not been identified adequately or adequately served. The responsible agencies have not requested adequate amounts to serve these children, nor have they planned for quality educational services.

RECOMMENDATION

The BIA and the Office of Education-DHEW must request sufficient monies in order to provide appropriate programs for the Indian handicapped and learning disabled. Monies must also be requested and provided for the development of appropriate instrumentation to identify Indian gifted and talented children and to provide culturally appropriate programs for these children.

ISSUE: Bilingual and Multilingual Education Needs of Indians

Indian children speak approximately 252 languages. These children have been denied the right to obtain an education equal to the education afforded English-speaking children.

The BIA's and OE's insistence in perpetuating the use of a monolingual (English) educational system cannot be sustained. Through the emphasis on existing monolingual curricula and the utilization of predominantely English teachers, school systems promote a single-minded proficiency in English that would replace any "foreign" language. Indians do not receive adequate monies from the Bilingual Education Acts of 1968 and 1974.

RECOMMENDATION

Title VII - The Bilingual Education Act should be amended to provide for the bilingual and bicultural education needs of American Indian children who speak 252 different languages. Tribes should be allowed to decide if curricula should be in both the tribal language and in the English language. Tribes, tribal education divisions and the family should also decide if teachers should acquire competencies in the tribal language before attempting to teach their children. Curriculum in Indian languages would be a priority of the Council on Indian Bilingual and Multilingual education.

Mr. BLOUIN. Our next and last witness is Dr. William Demmert, Director of the Office of Indian Education Programs, Bureau of Indian Affairs.

STATEMENT OF DR. WILLIAM DEMMERT, DIRECTOR, OFFICE OF INDIAN EDUCATION PROGRAMS, BUREAU OF INDIAN AFFAIRS, ACCOMPANIED BY JOSE A. ZUNI, DIRECTOR, OFFICE OF ADMINISTRATION, BIA; AND LEROY FALLING, ACTING CHIEF, DIVISION OF POSTSECONDARY EDUCATION, BIA

Mr. BLOUIN. Dr. Demmert, before you make your statement, could we ask you first if an Assistant Secretary has been named in the past two days?

Dr. DEMMERT. To my knowledge, no.

Mr. BLOUIN. Could it have happened without your knowledge?

Dr. DEMMERT. Very definitely.

Mr. BLOUIN. I guess my concern is that this post has been in acting capacity since January 28 of this year, and from our research, the state of affairs within the BIA has certainly not been improved by this 3½ month vacancy. This is not to cast any aspersions on Mr. Butler, the acting director. However, at the February hearings we were led to believe that the post would be filled expeditiously.

For an organization which has for years suffered from a lack of coherent and forceful leadership, I am sure this has been an added burden. Also, I am sure that it will be one which will be rapidly corrected so that an operation, so long stalled, can begin running.

We would appreciate your voicing that concern to whoever has not appointed that person or who has not told you that the appointment has been made.

Dr. DEMMERT. We will convey that message.

Mr. BLOUIN. Thank you.

Proceed to summarize your statement as you wish.

Dr. DEMMERT. I have asked Mr. Zuni to accompany me. Occasionally a question will come up with respect to the administration that I will not be able to answer and he is more knowledgeable on that.

The statement we have is very brief. We have responded primarily to the questions you had asked us to respond to, and I will attempt to summarize them very quickly.

Mr. Chairman and members of the subcommittee, I appreciate the opportunity to testify on the Bureau's policies and procedures for providing educational services to Indian students and on the reorganization of a central office of the Office of Indian Education Programs.

In July of 1976, a reorganization of the Bureau's central office education operations was approved as a first step believed necessary to bring about such improvements. However, except for placing the Bureau's three community colleges under my direct authority and responsibility and moving into the process of making them self-contained units, this reorganization has not yet been fully implemented. At present we are in a holding pattern because of the administration's desire to consider further action in the context of its overall plans for the Bureau of Indian Affairs and any reorganization that might take place, as well as the delaying effect of a recent Civil Service Commission audit on the Albuquerque Indian Education Resources Center.

You asked some questions on school bus transportation, expense ceilings, conflict of interest. I would just like to say that the program director or area director abolishes or establishes positions as needed to carry out his or her mission. Unfortunately, nothing really happens until that position is funded and/or until there are available employment ceilings provided. Travel expenses for pupil transportation are chargeable to travel ceilings allocated to the field offices as well as to the central office. When we look at travel costs for students, we find a real dichotomy in that when the overall Bureau has limits on travel, the students suffer probably more than we, the bureaucrats, suffer because I prefer to stay home.

On the other hand, when travel ceilings are imposed on the Bureau the schools are forced to reduce or eliminate or curtail school athletic events, school board meetings, student recreational field trips and other enrichment type programs that students of all schools participate in.

Under our procedures for hiring we have two alternatives, one for Indian employees and one for non-Indian employees. For Indian employees, the area offices have been authorized to hire an Indian on the spot, once they present proof of their Indian blood and complete their 171 application form. For non-Indian employees, especially for teaching positions, the Civil Service Commission requires that all applicants for teaching positions complete the 171, forward that to the Civil Service Commission in Albuquerque, and then they are chosen from a national register that closes sometime in January or February, and their applications are kept on file for a year.

The problem we run into is that if we are looking for teachers after the first of the school year or after the school year starts and have to go back to that register, many of those individuals have either accepted positions or are no longer interested, until next spring.

The Bureau's policy regarding financing of Indian higher education: I think the Bureau has a responsibility to provide educational support for Indian students at all levels, and we do provide support for students interested in both undergraduate and graduate work, and have been pushing very hard to increase the number of programs in critical areas. By that I mean graduate levels that are critical to a tribe carrying out its business.

The last question dealt with basic support. As you know, the Johnson-O'Malley program is in its last year, comming up to its last year of basic support, and will be fully supplemental support after fiscal year 1978. We are looking into the possibility of a program of basic support, especially for public schools on or near reservations that are in areas that do not have an economic base from which to draw upon, and in fact have made some specific recommendations to the Department along those lines.

[Prepared statement of Mr. Demmert follows:]

STATEMENT OF WILLIAM G. DEMMERT, DIRECTOR OF INDIAN EDUCATION PROGRAMS, BUREAU OF INDIAN AFFAIRS, BEFORE THE HOUSE SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION, COMMITTEE ON EDUCATION AND LABOR, OVERSIGHT OF INDIAN EDUCATION, MAY 19, 1977.

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to testify today on the Bureau's policies and procedures for providing educational services to Indian students and on the reorganization of the Central Office of the Office of Indian Education Programs.

In July of 1976, a reorganization of the Bureau's Central Office education operations was approved as a first step believed necessary to bring about such improvements. However, except for placing the Bureau's three post-secondary schools directly under the Washington office, this limited reorganization has not yet been fully implemented. At present, it is in a holding pattern due to the desire of the new Administration to consider further action on it within the context of its overall plans for the Bureau of Indian Affairs, as well as, the delaying effect of a recent Civil Service Commission audit on the Albuquerque Indian Education Resources Center. Regardless, it should be stated that this reorganization related to the Central Office education functions only and has been aimed specifically at enabling the Bureau to do a better job of overall policy and program development, providing technical assistance to the schools and evaluating program results.

As for Bureau policies regarding personnel, school bus and transportation expense ceilings, and conflict of interest I would say the following:

> Upon establishment of employment ceilings by Department and OMB, employment ceilings are distributed by Area Offices and Central Office Directorates. Any Program Director or Area Director may establish or abolish positions as needed to carry out his mission. A position may be established provided it is funded; it may be filled only if there are available employment ceilings and providing personnel requirements have been met.
>
> Travel ceilings are allocated to Area Offices and Central Office Program Directorates by appropriation. Directors are responsible for controlling the travel within the ceilings for their respective Areas and Offices.
>
> Travel expenses for pupil transportation are chargeable to the travel ceilings allocated to the field offices to conduct their programs. All travel costs incurred by programs within the Operation of Indian Programs appropriation are chargeable to this travel ceiling.

Student transportation costs are a chargeable item to travel ceilings. This ceiling is based on prior years travel for the same purposes. The Area Director can set priorities for this activity as well as any other under his jurisdiction, therefore, the student transportation item should not be severely effected by these limitations.

The Bureau of Indian Affairs' current policy on conflict of interest is established by Department of the Interior Rules and Regulations on Employee Responsibilities and Conduct (Title 43, Part 20, 735-11 Sub Part [illegible], 5 C.F.R.). All employees are subject to two types of requirements in connection with apparent or actual conflicting financial interests. One is criminal statute, 18 USC 208, which by its terms prohibits participation by any employee in certain official activities where he/she has a conflicting personal financial interest. The other requirement is Executive Order 11222. The Executive Order and Civil Service Regulations require that employees occupying certain government positions must report all personal interests and outside employment. Special exceptions for Indian and Alaskan Native organizations are codified in 43 CFR 20.735-14.

There are two procedures under Civil Service used to hire teachers and teacher-related positions for the Bureau of Indian Affairs. The procedures are: (1) for hiring Indian employees, and (2) for hiring non-Indian employees.

Indian Employees: The Civil Service Commission has delegated to the Bureau the authority to hire qualified Indian persons. The applicants must be fully qualified with proof of their qualifications. They must also present proof of their Indian blood. These applicants must utilize the same application forms that are used by non-Indians. The authority extended by Civil Service is called Excepted Service. The Excepted Service is actually detrimental to the Indian applicant if he/she wishes to transfer outside the Bureau of Indian Affairs because this is not allowable under the current system. However, the Bureau does encourage employees with excepted appointments to establish eligibility under the appropriate Civil Service announcement.

Non-Indian Employees: The Civil Service Commission requires that all applicants for teaching positions complete the application for Professional Careers in Education, and forward it and related papers to the Civil Service Commission in Albuquerque, New Mexico. The Civil Service Commission then prepares a register of all qualified teachers and their areas of expertise. The Civil Service Commission will accept applications during January and February. They will keep all applications on file for one year.

If the certificate sent to the Area does not have any one willing to accept a position, it must be returned to the Civil Service with an appropriate documentation along with a request for another certificate. This request goes to the bottom of the priority list as the Civil Service handles requests on a first come first served basis.

The Office of Indian Education recently completed a review of the Teacher Employment System along with the Personnel Division of the Central Office. The Commissioner issued appropriate guidelines to increase the effectiveness of the teacher employment system, the memo was dated January 11, 1977, "CSC Professional Careers in Education Announcement." A copy of the memo is attached in the response to the questions that were mailed to the SubCommittee.

The Bureau's policy regarding the financing of Indian Higher Education is to provide supplemental assistance to students who are ¼ or more Indian, Eskimo or Aleut, of a tribe being served by the Bureau, who have financial need after having utilized other available finaicial aid such as BEOG (Basic Education Opportunity Grant), SEOG (Supplemental Education Opportunity Grant), Work Study Loans, and other aid. In order to take advantage of other aid, the student must apply for assistance through the financial aid office of the institution which he or she plans to attend. This further requires that applications be made for the respective aid programs. The August 27, 1976, regulation, COORDINATION WITH BUREAU OF INDIAN AFFAIRS GRANT IN AID, outlines the procedures to be followed in awarding Bureau supplemental scholarships. Approximately 15,000 students are funded annually through this procedure. In addition to regular scholarships funded through Area Agency and Tribal Contractors, the Bureau also has developed some special programs to encourage students to enter certain critical fields. These are identified as Law, Medicine, Engineering, School Administration, Forestry, Business and related fields.

The current position of the Bureau of Indian Affairs or the operational support for public schools will be phased out over a three-year period beginning with FY 1976. The BIA Central Office of Education is currently reviewing this policy, and as soon as sufficient data has been compile and examined, this policy could be subject to change.

This concludes my prepared statement. I would be pleased to respond to any questions you might have.

Mr. Blouin. Thank you.

Let me ask the first question that I promised to ask a little earlier.

Dr. Demmert. All right.

Mr. Blouin. What is the Bureau's policy on higher education as pertains in this area? Is it a right?

Dr. Demmert. I think it depends on who you talk to. By that I mean if you talk to the Bureau employee, from the field office all the way to the central office, the general feeling is that the Bureau has a responsibility and therefore it is a right.

Looking at the economic factors you addressed earlier, budget restraints placed either on the Congress or on the Department prohibit us from fully meeting that particular need. We did not fund at least 5,000 students this past year as a result of the budget ceiling.

Mr. Blouin. What is the BIA policy?

Dr. Demmert. The BIA policy?

Mr. Blouin. Yes.

Dr. Demmert. We have a new—let me point out that we have a new set of rules and regulations in the process of winding through the system. To a large degree that will determine what the Bureau will be doing; in effect, the policy. That is being—that should be out within a month, and published in final form within two months, barring any administrative problems that it might encounter through the process, either in the Department or in the Office of Management and Budget, or on the Hill.

Mr. Blouin. On the basis of that, what is the present policy and what is the winding-through policy?

Dr. Demmert. OK. In terms of the past policy, let me refer to the gentleman who heads that and has worked in that area for a long time, just to make sure that I do not misrepresent the past policy.

Mr. Blouin. I would like to know where it is found, too.

Mr. Falling. As pertains to the regulations we have a Bureau of Indian Affairs manual release that gives some of thse guidelines of how the program has been operating. The last revision of the manual was in 1971. So we are in the state of revision that Dr. Demmert referred to. We have the regulations in draft form now that would update the manual.

Getting back to the policy that is stated in the manual, as to what is the policy of BIA. It is to encourage Indian students to attend institutions of higher learning.

Mr. Blouin. What does that word mean?

Mr. Falling. It means to facilitate them going to college. If it is money keeping them from going to college, to help find scholarships for them. The Bureau serves in a supplemental role in that effort. Someone asked earlier do they require that Indians take advantage of other aid? The answer is yes, Indian students take advantage of BEOG, SEOG, work-study program, National direct student loans, the same as members of any other disadvantaged group would do. The Bureau serves in a supplemental role to this, aid.

Another way we encourage Indians to attend college is to assist them getting into college. Someone asked earlier, is there an admissions problem? There is in certain fields in regard to getting the Indians into the colleges they would like to attend. Law school is a good example of this. We are funding 130 students in that area. In one single year they have produced more lawyers than perhaps existed before. They work with 48 law colleges. A big part of their job is to get admission for these prospective Indian lawyers into those colleges, including such distinguished colleges as Harvard Law school. This is a role of the BIA, to help those students get into the college of their choice.

Mr. Blouin. What kind of problems are they running into in getting into those colleges?

Mr. Falling. One of the problems that Mrs. Locke referred to is often low academic standing, in which they do not test well in the ACT scores or SAT scores. Predictably they look like they cannot do college work. Much of this is because of a language barrier. You have to go through two languages to take an exam, then timing becomes a factor, transferring thoughts from one language to another becomes a factor in scoring.

I think we can prove that once they are in college, given a chance to learn, you see them proceeding very well. This is another way we encourage them. Funding them is number one purpose, number two is getting them into the college of their choice.

Mr. Blouin. If money is number one, why does the BIA not request sufficient funding to do sufficient encouraging?

Mr. Falling. If everything worked well, probably the Bureau's amount would come nearer meeting the needs of Indian students, but it is based on the Office of Education coming through with all the funds that we anticipate in their programs and the colleges coming through with funds that they make available. When we come down to realities these other funds are not realized for a variety of reasons, and the Bureau is left to pick up the additional tab. This results in funding fewer students or funding them at a lesser level.

Mr. Blouin. Are you saying you anticipate so many Indian students being eligible for BEOG?

Mr. Falling. That is right.

Mr. Blouin. How many Indian students are receiving BEOG?

Mr. Falling. I would like to say it is nearer 100 percent now, but it has not been that way for a long time. When it first began you could not get a Bureau of Indian Affairs grant and any other Federal Indian program grant at the same time. Indians were automatically excluded from all Federal grants to start with except those of the Bureau of Indian Affairs. If you got the BIA funds, you could not get the other funds.

That was done away with in 1969. Since, we have a track record in participating with the Office of Education in a financial package-type arrangement. Since that time we have had some good indicators of working together. For instance, last year we realized about $4 million of Office of Education grants for our students. This year it is $8 million-plus. We are proud of that kind of progress in this direction.

Mr. Blouin. Of the $29 million that BIA turned back, how much of it was education.?

Mr. **Falling**. I am sorry—I do not know.

Dr. **Demmert**. Let me respond to that.

Mr. **Blouin**. Dr. Demmert.

Dr. **Demmert**. May I respond to the other question in terms of Bureau policy?

Mr. **Blouin**. Surely. I assume that is the present policy, not the winding-through policy?

Dr. **Demmert**. The present policy is that the Bureau plays a supplemental role and does not necessarily provide basic support for Indian students. The recommendations coming in from the various hearings held around the country recommend that we talk about basic support. Whether or not that concept will survive the total guantlet is debatable.

In terms of money turned back from the Bureau of Indian Affairs, let me speak specifically to education and then ask Mr. Zuni to talk about the money turned back in the 1977 budget for the total Bureau. In the field of education, at the end of the fiscal year, September 30, education had obligated all of its money. I do not know if that is the first time in the history of education in the Bureau or not but BIA Financial Aid officers were a little nervous in that we had another $1 million ready to obligate if we were allowed to do it, to forward-fund some of our educational programs at the graduate level.

Whether or not money comes back in as a result, and this is a problem, as a result of higher education students who were at first accepted by a college or university and then did not go, and the college and/or the Bureau was not aware of that until near the end of September or after that, that money would eventually be lost, because we have no carry-over authority for that money. We have no feel for how much that is right now.

Mr. **Blouin**. It has been pointed out that September 30 was the transition quarter last year. How were you in July of 1976?

Dr. **Demmert**. No. This fiscal year 1976 money and the transitional quarter money were allowed to run up through September.

Mr. **Blouin**. Okay. Do you have the flexibility within BIA to transfer funds from one area to another? If money is left over in transportation and you are short in education, do you have authority to transfer?

Dr. **Demmert**. No, we do not have the authority to do that. We have to come to Congress for most transfers. There are transfers within higher education we can make without coming forward, or within education generally.

Mr. **Blouin**. Not from one area to another?

Dr. **Demmert**. That is correct.

Mr. **Blouin**. What is the BIA's position today on use of the Snyder Act funds for higher education?

Dr. **Demmert**. We use Snyder Act funds for higher education. In the 1978 budget—Ed, can you tell me how much we have for the 1978 budget cycle approved by the House? They gave us $1 million over our request, fortunately or unfortunately, depending on one's point of view, I guess.

Mr. **Blouin**. Is this it, you requested 34,950,000 and you got 35,950,000?

Dr. **Demmert**. Thirty-five.

Mr. **Blouin**. Excuse me, thirty-five?

Dr. **Demmert**. That is right.

They gave us an additional $1 million, primarily for fellowships in critical areas.

Mr. **Blouin**. Okay. Do you have a position on S. 1215 or similar legislation?

Dr. **Demmert**. The official Bureau position on the first draft of that piece of legislation was to oppose it pointing out that the Bureau had authority under the Snyder Act to allow programs like that. Fortunately or unfortunately, from my point of view unfortunately, we have not really moved to fund our community colleges. There are two reasons for that, as I understand it.

One is that a tribe through the band analysis can elect to do that and has the flexilibity of doing that. The problem there is the band analysis has its limits. If they choose to add a 2 or $3 milion program, they would have to take it from some other program and we both know they are not going to do that. On the other hand, we also have, through the band analysis, our budget limitations. At the different bands or budget ceilings, we also have to choose in the Bureau. We always choose to continue; or usually choose to continue those programs that we have in existence. When we get new money added to that, we usually have some flexibility to add new programs. But until we do that, we do not.

Mr. **Blouin**. Is the analysis really designed to accommodate tribal college requests?

Dr. **Demmert**. The answer to that is yes, the process itself is.

Mr. **Blouin**. How is it in relation to Public Law 93-638?

Dr. **Demmert**. I am not sure I understand the question.

Mr. **Blouin**. How is it designed, first, for tribal college requests?

Mr. **Demmert**. OK. If a tribe decided to fund a community college, they could do that. That is consistent with the band process and Public Law 93-638. The problem is——

Mr. **Blouin**. But it would decrease another item?

Dr. **Demmert**. That is correct, that is the problem.

Mr. **Blouin**. So that in terms of the way it was developed, it really isn't there to accommodate additional funds for college. It is developed to accommodate funds for college in lieu of other funds within their band.

Dr. **Demmert**. Both are possible in that it is possible for the Bureau to raise the banded amount for a particular tribe. Mr. Zuni might try and respond to that. He is more familiar with the band process than I am.

Mr. **Zuni**. The band analysis permits a reservation tribe to determine its priorities based upon the existing BIA programs. If it wants to emphasize one program and deemphasize another, then it becomes involved in a trade off. There is no guarantee that a tribe will be receiving additional money above its base. Therefore the band analysis or the band system is not designed primarily, to bring in additional money above a reservation base.

Mr. **Blouin**. Why put them through the process?

Mr. **Zuni**. This gives them an opportunity to determine their priorities of programs that are administered on their reservation.

Mr. **Blouin**. It gives them a chance to shuffle the crumbs any way they want.

Mr. **Zuni**. This is right.

Mr. **Blouin**. Do you think that is fair?

Mr. **Zuni**. Fair to the extent that it is much better for them to determine priorities rather than a bureaucrat or a Congressman in some instances.

Mr. **Blouin**. It is better to have them shuffle the crumbs than you shuffle the crumbs, or us shuffle the crumbs.

Mr. **Zuni**. Crumbs given by Congress, yes.

Mr. **Blouin**. Or requested by BIA. It seems you got $1 million more than what you requested this year. The Congress is not historically known for giving more than what is asked, except to the Pentagon.

Mr. **Zuni**. Mr. Chairman, if we had no constraints in making the BIA requests, our budget would stagger your committee, but we work under constraints, and therefore we cannot exceed those constraints that are placed upon us by the Administration. Therefore our budget requests are modest in terms of the needs of the reservations.

Mr. **Blouin**. Have you noticed any change in the attitude about those constraints since January 20?

Mr. **Zuni**. As a matter of fact they are stricter in my opinion.

Mr. **Blouin**. Maybe we can do something about that.

Dr. **Demmert**. I think Mr. Zuni made a very good point. That is, there is an unrestrained column that more accurately reflects the Bureau's needs in the banded process at both the tribal level and at the central office level.

Mr. **Zuni**. That is known as a blue sky request.

Mr. **Blouin**. I would like to get into another area if I might, Dr. Demmert. We have heard a lot about your direct funding proposal.

Could you explain it to us briefly? I am going to have to leave here permanently in about 12 minutes, and I have got about two more questions. Maybe the staff would like to ask a few after that.

Dr. **Demmert**. I will be very brief and point out that what we are attempting to do is develop a foundation program that would set an acceptable minimum base of funding for each of the 213 schools that we have in the Bureau system, and the 26 or so contract schools that are funded by the Bureau of Indian Affairs. Using that foundation program, we would develop a formula that would take into consideration teachers' salaries, because there is a wide range within the Bureau system, isolation factors, boarding school costs, and other costs of that school that might be above and beyond an ordinary foundation program. Put that together in a formula. Say this is the average per pupil expenditure for that school, and then some time in November, when we have a peak season or peak count, take an accurate count of the average daily membership for that month, and this will give you 80 percent of the money you are entitled to, based on that foundation program, and if we have enough money we will come back with the other 20 percent, depending on your student count, whether it is up or down, and we would make those adjustments within the 20 percent factor.

I am also recommending that we provide, using that foundation program, the schools within the Bureau system an advice of allotment for both the program and for plant maintenance and operation, which in effect gives them control of how that money should be spent, and then our role would change to one of providing technical assistance and monitoring those expenditures.

I am also recommending that the school boards, and this would take a legislative change I understand, be given authority to sign off on the policies, the budget, as the minimum foundation program mandates, and the program direction. I can do it as a director for education informally, and I am in the process of doing that with the three post-secondary schools, and would do it with the other 213 schools in the Bureau, if we ever moved into this system, but in order for it to carry over my tenure, which may be long or short, depending on who the new Assistant Secretary is, it would have to be required by law.

Mr. Blouin. I just have one other area I wanted to get into. You were required to circulate the new Johnson-O'Malley supplement funding regulations. What was the result of that?

Dr. Demmert. We haven't circulated the final set that the Administration is going to use. We have circulated several different options, and I have presented two options to the acting Deputy Commissioner, Ray Butler, and attempted to point out the strong points and the weak points of both, and the political realities of both, and he has informed me that he will take this up with the Assistant Secretary, and as soon as a decision is made, we will post the rules and regulations for public comment.

Mr. Blouin. Of Options A, B, and C that were discussed April 14 when 11 Congressional staff representatives met on this.

Dr. Demmert. Yes.

Mr. Blouin. It is my understanding that 10 of the 11 representatives of those offices endorsed the C option with some modification. Which two options were presented?

Dr. Demmert. The two options that I presented were B and C. The B option talks about a State or national average, whichever is higher, and the C option sets an 80 percent floor at the bottom of the scale and a 120 scale at the top with a 25 percent cost differential consistent with Federal policy for Alaska.

Mr. Blouin. Did that recommendation include preference on your part to B or C.

Dr. Demmert. Yes. I pointed out to the Commissioner that if the Administration were willing to increase the amount for Johnson-O'Malley, so that the States that we have funded over the pasts few years under the system we are now using, wouldn't lose money or decrease, then he might want to consider Option C. If that were not the case then he should probably stick with Option B.

Mr. Blouin. It is my understanding of those 11 congressional offices that were represented were predominantly from the heavy Indian population areas, and 10 of the 11 recommended C as fair to the Indian tribes in the area, and it was my understanding again, and correct me if I am wrong, that there was considerable Indian support for the C option. Why go the other direction?

Dr. Demmert. Let me attempt to see if I can get the figures correct. Alaska went for A, which was the State average per pupil expenditure, and they represented about what percentage, George? Let me have that.

Alaska went for A, and they represented about 21,000 students. Option B represented about 16,052.

Mr. BLOUIN. Who went for B?

Dr. DEMMERT. New Mexico, North Dakota, South Dakota, and when we talked to the congressional delegation, Alaska pushed for B, which brought that to 37,000 students or thereabouts. Option C has about 40,000 students, 40,893, Wisconsin, Washington, Minnesota, Montana, Michigan, Wyoming, Iowa, California, Nevada, Nebraska.

Mr. BLOUIN. Wisconsin, Washington, Minnesota, Montana?

Dr. DEMMERT. Wisconsin, Washington, Minnesota, Montana, Michigan, Wyoming, Iowa, California, Nevada, Nebraska.

Now the largest portion, 72,000 students, went for Option D.

Mr. BLOUIN. Straight per capita?

Dr. DEMMERT. Straight per capita, taking no factor for high cost or low cost of living into account, primarily from Arizona, Idaho, Oklahoma, Utah.

Mr. BLOUIN. Primarily Navajo.

Dr. DEMMERT. Primarily, 29,000 from Navajo.

Mr. BLOUIN. It is my understanding they said in lieu of D they would prefer C, if D were not an available option.

Dr. DEMMERT. I haven't discussed that personally with Dillon Platero (head of Navajo Division of Education), so I don't know that, but then I would like to point out another point that I haven't brought to the Commissioner's attention yet, but I will if I get the information before a decision is made.

I have talked this over with one of the nation's leading experts in this area from the Indian community, Mr. Myron Jones. His recommendation is that we stick with Option B as the most equitable, primarily because one of our concerns is for students in States that spend very little, and if we penalize them with the 80 percent minimum level, we are not really being fair to Indian students in those states.

I talked this over with Allen Odden from the Education Commission of the States of which Mr. Quie is a nonvoting member and he tells me either is defensible, and there is not that much difference between the two, and I have asked him for a written recommendation on which of the two he would recommend, and his original recommendation was that we stick with B, again for the same reason, and so that is the dilemma that the Commissioner has to address.

Mr. BLOUIN. So you have submitted the both of them.

Dr. DEMMERT. That is correct.

Mr. BLOUIN. And suggested one over the other depending on conditions.

Dr. DEMMERT. Yes.

Mr. BLOUIN. I am going to have to run. I will be happy to yield to the staff for a few additional questions. We would also appreciate the opportunity to submit some questions in writing to you and will keep the record open for your responses.

Thank you.

I will promise to have you out of here by 1.

Dr. **Demmert**. I will try to hold it to that.

Mr. **Blouin**. Ms. Franklin.

Ms. **Franklin**. In working out this foundation program how much input are you going to get from other than the experts that you have told us that you are working with here at the Washington level? In other words, how much input is coming in from the field in developing those from the tribes themselves?

Dr. **Demmert**. I had two members of my staff work with me and one or two other people to look at the basic concept, actually three members of my staff, and we pulled together a concept paper that you have a copy of, and that we disseminated to the area offices and to the 300-plus Indian tribes and organizations that receive services from the Bureau of Indian Affairs, and asked them to comment on the concept paper. We are now in the process of pulling some of those comments together. We have also developed some models where we have gone to four schools, two boarding and two day schools, to test the models that we are considering, and we have that, and we are going to expand that now and refine it.

Now the next step, as I see it, is to bring in a couple of experts, national experts, who are very familiar and have gone through programs of that nature over the past few years, and in effect could help us shorten the process by pointing out the mistakes we are going to make if we do this or that, and by pointing out those things that have proven to be fairly successful.

John Callahan from the National Conference of State Legislators, who is a national expert, has agreed to look over our shoulder, and help us tear apart what we develop and put it back together.

Dennis Doyle from the National Institute of Education has two contracts providing them information on State efforts, and he has agreed to work with us, and Jim Kelley from the Ford Foundation, who funds projects in that area, has agreed to work with us, as well as Allen Odden from the Education Commission of the States. Once we develop those models we will then send them back out to each of the schools to have them tested, and the school boards and the school superintendents and I would assume the tribes of those schools will have an opportunity to review them, but we will try them out.

Ms. **Franklin**. They are commenting on your concept paper not having an input on their actual needs. There aren't that many schools that you ar working with.

Dr. **Demmert**. Not originally.

Ms. **Franklin**. That inform you of the isolation factors, their costs.

Do you see what I am driving at? One of the reasons I asked the question is because there has been so much dissention in the field with people who believe that this has been formulated at the Washington level and is going to come down from the Washington level, be run at the Washington level, and that there won't be input at the field in terms of what their needs are.

Dr. **Demmert**. It seems to me then it becomes a matter of what is reasonable field input, and recognizing that we have some severe—and I say severe because we are overextended already to some degree, not an unreasonable degree, but some degree—we have a substantial limit on the amount of money available for bringing people in to sit down and discuss the options for any length of time, and you are talking about an area that requires a substantial amount of expertise, when you look at specifically what will be considered.

Now if you want to go out and get information and recommendations, that is a different issue, and we do that through the mail, and that isn't quite as expensive, but bringing people in to sit down and work with us directy becomes very expensive.

Ms. **Franklin**. One of the reasons I am asking the question is because we heard a man yesterday from Borrego Pass who is afraid of what is coming. They have had a very difficult time with the Bureau over the past few years, in being allowed to contract. They have gotten nothing but the run-around as they say from the area office. They suffered a great deal of pain and are continuing to suffer a great deal of pain they say, working with and negotiating with the area offices. They are scared to death of your direct funding approach, because they don't know what it means for them, and they would rather take and suffer what is, rather than go to what they don't know.

Dr. **Demmert**. Unfortunately, that is an attitude that I don't agree with, because my attitude toward things that are new is to look at it, find out what it means and understand it before making a decision to reject it, and in our preliminary analysis, the four schools that I mentioned earlier, in both instances, day school and boarding school, the evidence clearly showed that the program portion was severely underfunded, and that when we compared them to public schools, the teacher salaries in the Bureau system were fair and equitable, but when you tie that to a 12 months' salary, compare that to a school system with a 9 months' salary, the amount of money going into the program portion is or was inadequate for those four schools, and based on that, our assessment is that that will hold true for many of the other Bureau schools, and probably for many of the contract schools, because they are at a very limited level when you talk about basic support.

In some cases, there are contract schools that get substantially large portions of supplementary support, and our foundation program would not impact that, because they are still free to go out and bring in the supplementary support that they are capable of bringing in.

Ms. **Franklin**. One reason I am asking you these questions is because I think you know that my boss supports the direct funding idea, is in the process of developing legislation along these lines, but the fear is, one of the things you have to add in anything that is new and is shocking to the system, as something like the direct funding approach is, that you have to convince the people who are going to be the consumers that they are not going to be at the mercy of the Washington bureaucracy, the Washington Office on Indian Programs.

Dr. **Demmert**. Sure.

Ms. **Franklin**. They are wondering if their hopes for self-determination will not be realized by misinformation that has been given to them.

Dr. **Demmert**. There are two parts to that that I didn't fully explain. One is that our recommendation is also that this be left in the band analysis as a minimum, and where tribes are interested in increasing that amount that they be given the flexibility and opportunity to do that, which in my judgment—and by giving the school boards and the school administration the authority and responsibility to handle that money is at the seat of self-determination from my particular judgment.

In addition to that, we are going out, and two of the individuals on my staff that have been working on that and have gone out to the Navajo, will be going to Denver next week, and where people are ready to sit down and discuss the concept we are going out as often as possible to walk through what we have developed to date, and will continue to do that.

Ms. **Franklin**. I understand Mr. Bragg has a question.

Mr. **Bragg**. In view of the time, while I appreciate the coutesy of the majority counsel in giving me the opportunity, I will return it to him.

Mr. **Lovesee**. In view of the time I will submit some questions in writing. I do have follow-up questions based on the February hearing. At that time questionnaires, recommendations, various things that were out in the field and were to be done by the end of March or by May or were to be forward to this Advisory Group I can submit those to you in writing. Could you send us back either copies of the finished product or responses as to where they stand in the system?

Dr. **Demmert**. Right.

Mr. **Lovesee**. Let me just ask then a couple of questions on the reorganization of your own particular office. I guess the basic question is: How is that plan progressing at the moment, and have you run into any particular problems with respect to civil service from the standpoint of transfers of people, civil service directives as to positions which had to be maintained or protected, things along these lines, and if so, how are you handling those?

Dr. **Demmert**. As I pointed out in my opening statement, we are in a holding pattern right now in that the Administration wishes to look at the overall organization of the Bureau or get a feel for that before allowing us to move forward. The other is that the Civil Service Commission has set out some specific requirements that need to be followed before we run a reassignment of individuals within the system to the new organizational structure on a permanent basis. Most of them are there in an acting capacity right now, but we have run into some problems in that out of 90 positions, we now have 40 vacancies. We have been in a freeze for hiring in education for over a year, and as a result of that, it is becoming increasingly more difficult to handle the volume of work for a $240-some million program that we are responsible for, and I am not sure when we will be able to correct that.

Mr. **Lovesee**. Do you have any rough idea? You say you have no concept of when that can be corrected. I assume that you are waiting a new Assistant Secretary to get some type of direction on it? Is that what is hanging it up at the moment?

Dr. **Demmert**. In part, that might be hanging it up but we also have the Civil Service Commission audit that will override that if nothing else, and Mr. Zuni and I discussed that this morning, and he is pushing very hard to complete his portion of the work that would free up at least a Civil Service Commission hold on our reorganization, and he might like to respond to that in part.

Mr. **Zuni**. The Civil Service Commission made an audit of the Education Office in Albuquerque, last fall. About 3 weeks ago they came out with their audit report, and in their case listing included several education positions. Their instruction to us was that we should evaluate all of those positions, and develop accurate position descriptions, and properly classify them before the reorganization in the central office is implemented.

They have given us 60 days in which to respond to their audit report.

Mr. **Lovesee**. When was this initially sent?

Mr. **Zuni**. About 3 weeks ago. We are 3 weeks into the 60 days that has been allotted to us. However, if there are any disputes regarding classification grades it will take a longer period of time.

Mr. **Lovesee**. Gentlemen, to both of your knowledge, have all civil service regulations with regard to transfers, with regard to temporary assignments, from the standpoint of length of days, et cetera, from the standpoint of duties being transferred out from someone's control, have all of these civil service requirements been conformed with so far in the reorganization? If not, what is being done to either remedy that situation or seek some form of civil service waiver to any problems which exist?

Mr. **Zuni**. At the present time, as Mr. Demmert has pointed out, he is shorthanded, and he is trying to fill the gap, the vacancies, by temporary detail of people to carry out the work, and of course this is not very satisfactory, but he has no alternative. We are trying to conform and he is trying to conform with all the civil service rules and regulations regarding the detail of personnel into these vacancies.

Mr. **Lovesee**. Just for the record, who is responsible for the hiring freeze which has left 48 vacancies? Where did that directive come from?

Dr. **Demmert**. Originally it was imposed by the Commissioner until the reorganization was complete. That was Morris Thompson. He left, and we have continued to move with the reorganization, and for whatever reason, it has not yet been completed. We were getting ready to run our RIF procedure, which is not exactly what it sounds like because RIF is usually a reduction in force but once we ran that procedure we would have had about 40 vacancies to fill, which in effect would have meant we could have filled them and no one woud have lost a job. There might have been some individuals that were no longer qualified for certain positions and they might have had to move to other parts of the Bureau, but Mr. Butler informed us about a month ago that the Under Secretary had instructed him to hold that reorganization until further notice.

Mr. **Lovesee**. So it was an internally generated hiring freeze which is being maintained internally with 40 vacancies which is hampering the office. In fact, some civil service violations or problems. I am wondering how much longer? You stated earlier you didn't have a concept of how much longer this was going to exist. I am wondering how much longer do you anticipate it being allowed to exist by the department until they do something to remedy it? It seems to me to be an intolerable situation.

Dr. **Demmert**. It is a very intolerable situation.

Mr. **Lovesee**. It is just going to go from bad to worse.

Dr. **Demmert**. As Mr. Zuni pointed out, we are looking at what we can do legally to carry us over during that period of time. He pointed out that civil service had us on hold for at least 60 days, but also pointed out that if there were some differences of opinion between their audit and our job descriptions, it could extend beyond that. The last one took 2 years.

Mr. **Lovesee**. I hope we do not have to go through that.

The last two days have been directed towards giving the tribes more control over the funds in education. At least it has been mentioned enough times to warrant that assumption.

What is the Bureau's position with respect to tribal control of funds to contracting—we have heard a lot in the past two days that whatever comes out of the central office may sound good, but in fact in the field there may not be the actual commitment on the part of field personnel. Would you address tribal control of funds and tribal control of education?

Dr. **Demmert**. Public Law 93-638 does not allow us much flexibility if a tribe wishes to contract for the operation of the services that the Bureau heretofore had provided, or a portion of those services. In education, if a tribe elects to contract under Public Law 93-638, our policy is to not only permit it, but to provide the technical assistance necessary to make sure it is accomplished within a reasonable period of time. We will continue to do that.

I would like to go one step further and point out where a tribe is not interested in doing that, we have a commitment to allow as much local authority and responsibility at the tribal level as the law allows us to permit for those schools that are retained in the Bureau system, and there are certain limits on what we are allowed to permit.

For example, a tribe or a school board cannot hire and fire civil servants. For example, a tribe or a school board cannot be held responsible for Bureau money unless they have a contract.

Mr. **Lovesee**. I think staff on both sides have extra questions which we will submit in writing hopefully next week, but I have one more question before we adjourn.

With respect to the Johnson-O'Malley justification in the Bureau's budget, why include all Bureau children in Federally run schools, within the potential student target population?

Dr. **Demmert**. May I address that one quickly?

Mr. **Lovesee**. Yes, I was hoping you might.

Dr. **Demmert**. You are referring to the item in our budget?

Mr. **Lovesee**. The justification request, right.

Dr. **Demmert**. Let me attempt to explain that very quickly.

Under Public Law 93-638, as I pointed out, we are actually required to contract with the tribe unless we can come up with some prime reason for not doing it. Those would be the exception rather than the rule.

We had a tribe, I think one of the Apache tribes, which decided to contract for a Johnson-O'Malley program under Public Law 93-638. What our field office was telling them was that they—they had, let's use an arbitrary figure, let's assume they had 100 kids in that community that they wanted to serve through Johnson-O'Malley. Let's say 75 of them were attending a public school. What we were telling them was that they could only serve that 75, they could not serve the Indian kids in that community through a tribally operated program that were served by a contract school or by a Bureau school. So I made the decision at that point to allow the tribe to serve all of the kids in that community, rather than cut off a certain percentage or portion of them.

Mr. Lovesee. In other words, what it is, the tribe will contract for JOM and then turn around and hand it over to BIA schools?

Dr. Demmert. No. What the tribe did was to develop a program that they would run and operate themselves.

Mr. Lovesee. Perhaps eligibility considerations for funding under the formula will include all Indian children attending public, contract and federally operated schools.

The federally operated then, we would interpret in your way of thinking to be tribal controlled but federally financed.

Dr. Demmert. No. What we are talking about there is if we have a tribe that decides to contract for Johnson-O'Malley—we will use this room as a reservation—what we are saying is——

Mr. Lovesee. They can count the BIA?

Dr. Demmert. They can serve the BIA kids and count them, because it is an out-of-school program.

Mr. Lovesee. This is supplemental only?

Dr. Demmert. Supplemental.

Mr. Lovesee. It has to be provided outside?

Dr. Demmert. Outside of the Bureau system, that is correct. It has to be provided within the tribal system, a tribally-run and operated Johnson-O'Malley program. We would allow them to serve all of the kids in that community.

Mr. Lovesee. Assuming JOM was not phased out, but is replaced by something else in the authorization, would these kids be counted should the tribe decide?

Dr. Demmert. No. The difference is that that money is used in the school and only the kids in that school, and in this case it would be a public school, would be counted and eligible.

Mr. Lovesee. OK.

Dr. Demmert. There is one other provision I am recommending, that is we allow early childhood education programs in the Johnson-O'Malley program, zero to three. The minimum ceiling limit is three years of age.

Mr. Lovesee. As I say, the staff will submit further questions. Thank you very much, Dr. Demmert.

Pursuant to the authority of the chairman, who said we would adjourn immediately, I thank everyone for being here.

(Whereupon, at 1:10 p.m., the hearing was adjourned.)

[Material submitted for inclusion in the record follows:]

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5 July 1977

Michael T. Blouin, Chairman
Advisory Study Group on Indian Education
Committee on Education and Labor
2181 Rayburn House Office Building
Washington, D. C. 20515

Dear Chairman Blouin:

This letter is to answer questions in your June 13, 1977 letter regarding hearings before the Subcommittee on Elementary, Secondary and Vocational Education on May 17, 1977.

(Question #1) - Should any priority be given in Federal Funding to those institutions presently operating? Should schools with special courses, facilities, etc., receive extra Federal consideration?

(Answer to #1) - The position of the National Indian Education Association is that equity in service and opportunity must prevail for all tribes in the United States. That is, no tribal college nor any particular tribes' postsecondary educational program should receive preference or priority over other tribal colleges or other tribal postsecondary programs. This policy is based on the philosophy that all tribal members have a right to equal educational opportunity both as citizens of the federally-recognized tribes and as citizens of the United States.

This position of equity means that existing postsecondary colleges that are tribally chartered should receive funding and, at the same time, those tribes that are in the planning and early developmental stages of developing postsecondary learning centers or colleges should also receive funding.

Any attempt to fund only certain colleges would certainly be viewed as exclusionary.

(Question #2) - Please provide a list of the postsecondary schools that would be covered under your interpretation of the proposed Indian Postsecondary Institutions Bill, S1215.

(Answer to #2) - The following tribes have chartered colleges. Those starred (*) are in the process of developing colleges and/or college programs.

South Dakota:

Rosebud Sioux - Sinte Gleska
Pine Ridge Sioux - Lakota Community College
Standing Rock Sioux - Standing Rock Community College
Cheyenne River Sioux - Cheyenne River Sioux Community College
Devils Lake Sioux - Little Hoop Community College
Sisseton-Wahpeton Sioux - Sisseton-Wahpeton Community College

Montana:

*Flathead
Northern Cheyenne - Dull Knife College
Blackfeet - Blackfeet College
Fort Peck Assiniboine & Sioux - Fort Peck College
*Crow
*Fort Belknap

Alaska:

North Slope Native Association - Inupiat University of the Arctic
Tanana Chiefs - Tanana Chiefs College

Arizona:

Hualapai Tribe and Havasupai Tribe - Hualapai-Havasupai College
*White Mountain Apache
Navajo - Navajo Community College
*Colorado River Tribes
*Makaw
Lummi - Lummi School of Aquaculture

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Mississippi

*Mississippi Band of Choctaw

Michigan

Keweenaw Bay Chippewa - Ojibway College

Minnesota

*Red Lake Chippewa

North Dakota

Turtle Mountain Chippewa - Turtle Mountain Community College
Fort Berthold Mandan/Hidatsa - Fort Berthold College

Nebraska

Santee Sioux)
Winnebago) - Nebraska Sattelite Colleges
Omaha)

Cordially,

Patricia Locke

Patricia Locke, President
National Indian Education Association

PL:mjc